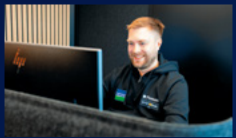
RECORD YEAR FOR ACQUISITION SPEND

PAMARK GROUP

c.£49m
2023 revenue



Acquisition completed: February 2024

Finland
- Cleaning & Hygiene
- Healthcare
- Foodservice
- Safety

Read more about our anchor acquisition strategy on page 28

NISBETS

£498m
2023 revenue

Acquisition completed: May 2024

UK
- Foodservice

Read more about how we acquire and integrate market-leading businesses on page 30

ARROW COUNTY SUPPLIES

£24m
2023 revenue

Acquisition completed: October 2024

UK
- Cleaning & Hygiene

C&C GROUP

£26m
revenue in the year to April 2024

Acquisition completed: October 2024

UK
- Foodservice

COMODIS

c.£20m
revenue in the year to March 2024

Acquisition completed: December 2024

France
- Cleaning & Hygiene

RCL IMPLANTES

c.£18m
2023 revenue

Acquisition completed: July 2024

Brazil
- Healthcare

CLEAN SPOT

Acquisition completed: June 2024

Canada
- Cleaning & Hygiene

c.£4m
2023 revenue

HOLLAND PACKAGING

Acquisition completed: June 2024

Netherlands
- Retail

c.£14m
2023 revenue

SISTEMAS DE EMBALAJE ANPER

Acquisition completed: June 2024

Spain
- Other – industrial packaging

c.£24m
2023 revenue

CERMERÓN

Acquisition completed: August 2024

Spain
- Foodservice

c.£11m
2023 revenue

POWERVAC

Acquisition completed: July 2024

Australia
- Cleaning & Hygiene

c.£5m
2023 revenue

CUBRO GROUP

Acquisition completed: September 2024

New Zealand
- Healthcare

c.£44m
revenue in the year to March 2024

DBM MEDICAL GROUP

Acquisition completed: September 2024

New Zealand
- Healthcare

Read more about how bolt on acquisitions enhance our compounding growth on page 29

c.£7m
revenue in the year to June 2024

13
acquisitions announced

£883m
committed acquisition spend

£744m
annualised annual revenue acquired

Geographic expansion by completing first acquisition in Finland

Acquisitions completed in
5
market sectors and
9
countries: wide range of consolidation opportunities

// A YEAR IN REVIEW

A YEAR OF SIGNIFICANT STRATEGIC PROGRESS FOR BUNZL, **MARKED BY RECORD ACQUISITION ACTIVITY**

Bunzl is a resilient growth compounder with a business model and strategy that delivers consistent long-term growth, a high return on invested capital alongside significant acquisition spend, and low volatility of earnings growth.

FINANCIAL PERFORMANCE HIGHLIGHTS

Revenue
£11,776m
(2023: £11,797m) **+3.1%†**
Change at actual exchange rates (0.2)%

Adjusted operating profit*
£976.1m
(2023: £944.2m) **+7.2%†**
Growth at actual exchange rates 3.4%

Adjusted earnings per share*
194.3p
(2023: 191.1p) **+5.5%†**
Growth at actual exchange rates 1.7%

Years of consecutive annual dividend increases
32

Cash conversion*
93%
(2023: 96%)

Committed acquisition spend
£883m

Adjusted net debt: EBITDA*
1.8x
(2023: 1.2x)

Operating profit
£799.3m
(2023: £789.1m)
Growth at actual exchange rates 1.3%

Basic earnings per share
149.6p
(2023: 157.1p)
Change at actual exchange rates (4.8)%

Dividend per share
73.9p
(2023: 68.3p) **+8.2%**

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES TO STATUTORY MEASURES FOR THE YEAR ENDED 31 DECEMBER 2024

	Alternative performance measures £m	Adjusting items: Amortisation excluding software £m	Adjusting items: Acquisition related items £m	Adjusting items: Non-recurring pension scheme credit £m	Adjusting items: Disposal of businesses £m	Statutory measures £m	
Adjusted operating profit	976.1	(148.3)	(31.7)	3.2		799.3	**Operating profit**
Finance income	72.6					72.6	Finance income
Adjusted finance expense	(175.8)		(2.2)			(178.0)	Finance expense
Disposal of businesses	–				(20.3)	(20.3)	Disposal of businesses
Adjusted profit before income tax	872.9	(148.3)	(33.9)	3.2	(20.3)	673.6	**Profit before income tax**
Tax on adjusted profit	(222.4)	42.8	7.8	(0.8)	–	(172.6)	Income tax
Adjusted profit for the year	650.5	(105.5)	(26.1)	2.4	(20.3)	501.0	**Profit for the year**
Adjusted earnings per share attributable to the Company's equity holders	194.3p	(31.5)p	(7.8)p	0.7p	(6.1)p	149.6p	**Basic earnings per share attributable to the Company's equity holders**

This review refers to alternative performance measures which exclude charges for amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits, profit or loss on disposal of businesses and any associated tax, where relevant. None of these items relate to the trading performance of the business. Accordingly, these items are not taken into account by management when assessing the results of the business and they are removed in calculating the profitability measures by which management assesses the performance of the Group. Further details of these alternative performance measures can be found in Note 3, page 151.

Growth at constant exchange rates is calculated by comparing the 2024 results to the results for 2023 retranslated at the average exchange rates used for 2024.

* Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
† At constant exchange rates.

// A YEAR IN REVIEW *continued*

// Sustainability remains a key strategic priority, and the Group is committed to helping lead the transition to a more sustainable and equitable future by continuing to direct our efforts into the four key areas where we believe we can make the greatest positive contribution: providing alternative packaging solutions; ensuring responsible supply chains; investing in our people; and taking action on climate change."

FRANK VAN ZANTEN
Chief Executive Officer

SUSTAINABILITY PERFORMANCE HIGHLIGHTS

RESPONSIBLE SUPPLY CHAINS

89%
of our spend in high risk regions from assessed and compliant suppliers
(2023: 81%)

1,175
suppliers assessed
(2023: 1,022)

c.97%
of our purchasing spend today is either in low risk regions, with assessed or compliant suppliers in high risk regions, or on other non-product related costs

INVESTING IN A DIVERSE WORKFORCE

25%
senior leadership* roles filled by women

* Senior leadership defined as the c.530 leaders who receive share options as part of their remuneration

+3%
compared to the same population in 2023

TAKING ACTION ON CLIMATE CHANGE

18%
reduction in absolute emissions since 2019
(2023: 18%)

26%
more carbon efficient since 2019
(2023: 30%)

33%
of suppliers* by emissions currently have science-based targets in place

* Suppliers that are covered by our scope 3 supplier engagement target.

PROVIDING SUSTAINABLE SOLUTIONS

1%
of Group revenue generated from consumables that are facing regulation

86%*
of Group revenue attributable to non-packaging products and packaging products made from alternative materials that are well suited to a circular economy

* Excludes revenue from acquisitions

// AT A GLANCE

SUPPORTING BUSINESSES GLOBALLY **WITH ESSENTIAL PRODUCTS AND SERVICES**

£976.1m
Adjusted operating profit

26,978
Employees

32
Countries we operate in

We provide a one-stop-shop, on-time and in-full specialist distribution service across 32 countries, supplying a broad range of internationally and responsibly sourced non-food products to a variety of market sectors.

OUR BUSINESS AREAS

NORTH AMERICA

56% **£6,568m**
2024 revenue

CONTINENTAL EUROPE

20% **£2,377m**
2024 revenue

UK & IRELAND

14% **£1,626m**
2024 revenue

REST OF THE WORLD

10% **£1,205m**
2024 revenue

// AT A GLANCE *continued*

OUR MARKET SECTORS

SAFETY

Personal protection and safety equipment, including gloves, boots, hard hats, ear and eye protection and other workwear, as well as cleaning & hygiene supplies and asset protection products to industrial, construction and e-commerce sectors.

HEALTHCARE

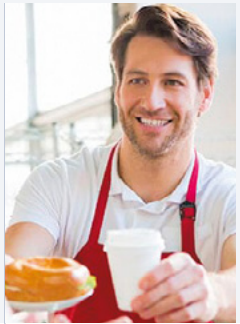
Healthcare consumables, including gloves, masks, swabs, gowns, bandages and other healthcare related equipment, as well as cleaning & hygiene products and healthcare devices to hospitals, care homes and other facilities serving the healthcare sector.

CLEANING & HYGIENE

Cleaning & hygiene materials, including chemicals and hygiene paper, to cleaning and facilities management companies and industrial and public sector customers.

GROCERY

Goods-not-for-resale, including food packaging, films, labels, cleaning & hygiene supplies and personal protection equipment to grocery stores, supermarkets and convenience stores.



FOODSERVICE

Non-food consumables, including food packaging, disposable tableware, guest amenities, catering equipment, agricultural supplies, cleaning & hygiene products and safety items, to hotels, restaurants, contract caterers, food processors, commercial growers and the leisure sector.

RETAIL

Goods-not-for-resale, including packaging and other store supplies and a full range of cleaning & hygiene products, to retail chains, boutiques, department stores, home improvement chains, office supply companies and related e-commerce sales channels.

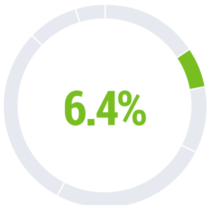
OTHER

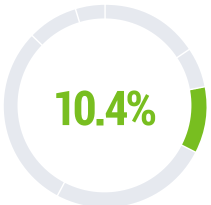
A variety of product ranges to other end user markets.

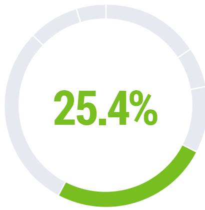
MARKET SECTOR REVENUE SPLIT

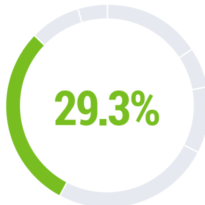
£11.8bn

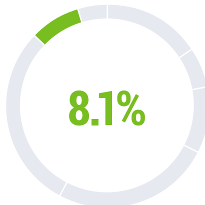
Overall Group revenue

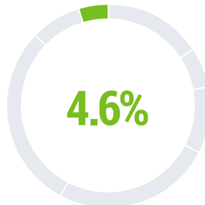












// CHAIRMAN'S STATEMENT

PETER VENTRESS
Chairman

+54%
adjusted earnings per share growth over the last five years, at constant exchange rates

£1.2bn
returned via dividend and 2024 buyback over the last five years

32 years
of consecutive annual dividend growth

BUNZL'S STRATEGY AND PEOPLE ARE THE DRIVERS OF **LONG TERM GROWTH**

2024 saw Bunzl achieve another year of excellent progress and delivery against its compounding growth strategy, with the Group committing a record amount of spend to acquisitions in the year. Furthermore, the Group extended its track record of consecutive annual dividend growth to 32 years, and aligned to its recently launched capital allocation commitment, completed a £250 million share buyback.

At constant exchange rates, Bunzl has seen adjusted earnings per share increase by 54% over the last five years, supported by the Group's growth strategy delivering revenue growth of 30% over this period and operating margin expansion from 6.9% to 8.3% at constant exchange rates. Over these five years, Bunzl has committed £2.6 billion to acquisitions, while return on invested capital has increased from 13.6% to 14.8%, and earnings growth has remained resilient, highlighting the Group's discipline in successfully executing its strategy to generate returns for its shareholders. Alongside this we have returned £1.2 billion to shareholders over this period through dividends and a share buyback in 2024.

Bunzl's consistently strong performances over recent years has resulted in the Group's leverage falling and remaining below its adjusted net debt to EBITDA target of 2.0 to 2.5 times. As a result, in 2024 the Board took the decision to commit to steadily returning adjusted net debt to EBITDA to within the target range of 2.0 to 2.5 times by the end of 2027. The Group has committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027. In addition, the Board announced a £250 million share buyback that was executed in the second half of 2024 and a further £200 million share buyback to be completed during 2025, which was announced on 17 December 2024 and is currently underway with £50 million of shares purchased to date.

I have great confidence that the entrepreneurialism and agility of our people, supported by the diversification of our portfolio, and the overall resilient nature of the Group, will continue to deliver long term growth and shareholder value.

// CHAIRMAN'S STATEMENT *continued*

// I have great confidence that the entrepreneurialism and agility of our people, supported by the diversification of our portfolio, and the overall resilient nature of the Group, will continue to deliver long term growth and shareholder value."

People and culture

Bunzl's most valuable asset is its people whose entrepreneurial spirit, agility, and dedication ensure the delivery of exceptional service to our customers as well as fuelling the innovation and operational excellence that underpin the Group's ongoing success. Following Bunzl's global pilot of the external 'Great Place to Work' survey in 2023, the Group again sought accreditation in 2024 but this time across all businesses, with half of those surveyed doing so for the first time. Following this, around 76% of operating companies achieved the certification in 2024. Demonstrating that our people continue to find Bunzl a fulfilling place to work and trust the company and its leadership, the Group results saw a 2% increase in its Trust Index score to 71%. Strong employee engagement is key to our proposition, as it supports our delivery of a high level of customer service. We also continued to accelerate our diversity and inclusion agenda to ensure that we have a working environment which supports individual well-being, growth and career progression. In 2024, the percentage of women within our senior leadership team of c.530 (defined as those receiving long term incentives) was 25%. This compares to 22% in 2023 and 20% in 2022.

Sustainability

I am pleased with the progress Bunzl has made with its sustainability ambitions over 2024. In 2023 we followed the Science Based Target initiative ('SBTi') Net Zero Standard to develop our transition plan and are pleased that this was formally approved by the SBTi in 2024. Bunzl's consolidated delivery model and strategic focus on operational efficiency continues to support the reduction of Bunzl's direct carbon emissions, which include scope 1 and scope 2 emissions. However, with c.99% of our carbon emissions being scope 3, the success of our transition plan is therefore reliant on successful engagement and collaboration with our suppliers, which we made significant progress on in 2024. Furthermore, we continue to innovate on product offerings that support our customers to move to products better suited to the circular economy. This included a c.30% increase in our emerging exclusive sustainable own brand SKUs, under the EcoSystems, Verive, Sustain and Revive brands.

Dividend

The Board is recommending a final dividend of 53.8p, 7.4% higher than the prior year, resulting in a full year dividend of 73.9p. This represents an 8.2% increase in the total dividend compared to 2023 and is Bunzl's 32nd consecutive year of annual dividend growth. The Group's dividend cover reduced to just over 2.6 times, with further normalisation of dividend cover expected in 2025. The Group remains committed to ensuring sustainable dividend growth.

Governance

It was announced on 12 December that Lloyd Pitchford, who joined the Board in March 2017 and is currently the Chair of the Audit Committee, will be stepping down from his position at the conclusion of the Company's Annual General Meeting ('AGM') on 23 April 2025. Lloyd's independent advice and wise counsel have been greatly appreciated, and he leaves the Board with the Company's gratitude and best wishes.

On 16 December 2024 Daniela Barone Soares OBE and Julia Wilson were appointed as non-executive directors of the Group. Daniela's Environmental, Social and Governance ('ESG') credentials and in-depth knowledge of the role technology can play in driving change will be a valuable addition to the Board and will further enhance our ESG capabilities. Furthermore, Daniela brings considerable international experience, having also previously worked in the USA, Brazil and Europe. As the Company continues to expand and develop, Julia's extensive audit and UK regulatory expertise and significant executive-level strategic and financial leadership experience will be of great value. Julia will succeed Lloyd as Audit Committee Chair. The proportion of female directors on the Board is 50%, while female representation on our Executive Committee remains at 40%.

Peter Ventress
Chairman
3 March 2025

KEY TAKEAWAYS

£700m p.a.
capital allocation commitment for each of the years 2025-2027

£450m
2024 completed buyback plus the announced 2025 buyback

Women in senior leadership
25%

SBTi approval
for net zero transition plan

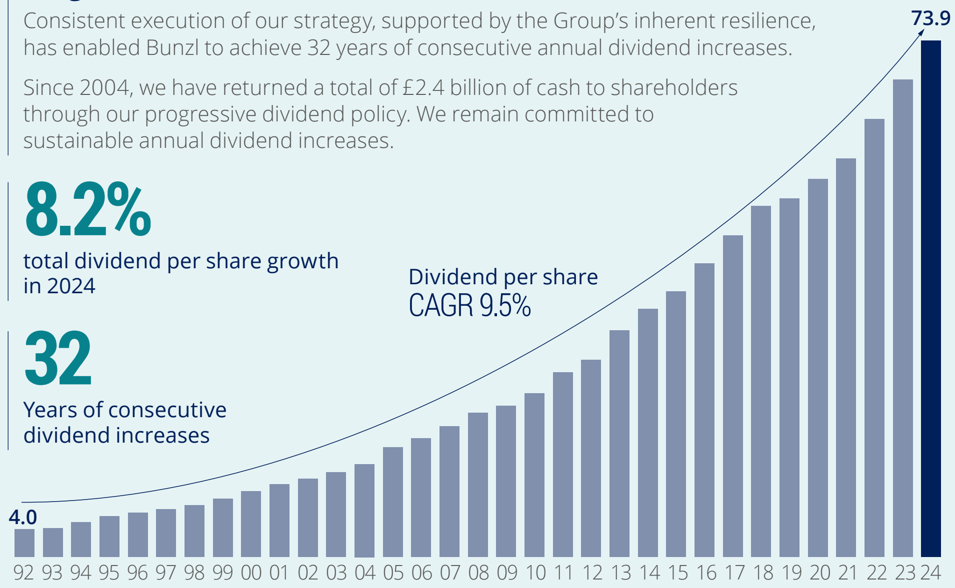
Progressive dividend

Consistent execution of our strategy, supported by the Group's inherent resilience, has enabled Bunzl to achieve 32 years of consecutive annual dividend increases.

Since 2004, we have returned a total of £2.4 billion of cash to shareholders through our progressive dividend policy. We remain committed to sustainable annual dividend increases.

8.2%
total dividend per share growth in 2024

32
Years of consecutive dividend increases



// INVESTMENT CASE

A STRONG TRACK RECORD FOR **DELIVERING GROWTH AND RETURNS TO SHAREHOLDERS**

Bunzl has a compounding growth strategy that consistently delivers, with sustainability a vital part of the equation.

> //
> The performance of our business year on year always delivers returns for stakeholders. However, none of this would be possible without the hard work and dedication of our international teams, who work tirelessly across the world to deliver the best service possible for each and every one of our customers."

1 A DIVERSIFIED, BALANCED AND RESILIENT BUSINESS

2 CONSISTENT COMPOUNDING GROWTH STRATEGY WITH STRONG TRACK RECORD

3 SIGNIFICANT OPPORTUNITIES FOR FUTURE GROWTH

4 SUSTAINABLE AND EQUITABLE GROWTH

5 HIGHLY CASH GENERATIVE AND STRONG FINANCIAL DISCIPLINE

6 CAPITAL ALLOCATION VISIBILITY TO ENHANCE SHAREHOLDER RETURNS

1 A DIVERSIFIED, BALANCED AND RESILIENT BUSINESS

- Value-added service around essential products
- Operating across a diverse range of end markets and geographies
- Low customer and supplier concentration
- Long term customer and supplier relationships

32
countries globally in which Bunzl is present

6
customer focused market sectors

>20 years
average length of partnership with top 40 North America customers

c.28%
current own brand penetration

2 CONSISTENT COMPOUNDING GROWTH STRATEGY WITH STRONG TRACK RECORD

- Strategic focus on profitable organic growth, operating model improvements, and self-funded acquisitions
- Strong track record of growth in revenue, adjusted operating profit and adjusted earnings per share
- Long term dividend growth and total shareholder return

227
announced acquisitions since 2004

c.9%
adjusted operating profit[1] CAGR since 2004

194.3p
adjusted earnings per share[1], growing from 31.7p in 2004 at c.9% CAGR

32 years
of consecutive annual dividend growth

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

3 SIGNIFICANT OPPORTUNITIES FOR FUTURE GROWTH

- Significant opportunities for growth in existing countries and markets through consolidation of fragmented markets
- Scope for further geographic and new sector expansion
- Strong balance sheet to support acquisition opportunities

£6.1bn
self-funded committed acquisition spend from 2004 to 2024

1.8x
net debt to EBITDA[1] provides substantial capacity for further self-funded acquisitions

4 SUSTAINABLE AND EQUITABLE GROWTH

- Industry-leading ethical supplier audits
- Carbon efficiency through consolidation and customer collaboration
- Proactive leader in the transition to alternative material products
- Decentralised business model supports people and customer focus

c.97%
purchasing spend[2] in low risk regions or assessed or compliant suppliers in high risk regions

18%
reduction in scope 1 and 2 emissions since 2019

10%
of Group revenue generated by consumables with an opportunity to transition in 2024

50%
of Board members and 40% of our Executive Committee are female

5 HIGHLY CASH GENERATIVE AND STRONG FINANCIAL DISCIPLINE

- Consistently strong cash conversion
- Disciplined capital allocation
- Strong returns achieved

93%
cash conversion[1]

14.8%
return on invested capital[1]

43.2%
return on average operating capital[1]

6 CAPITAL ALLOCATION VISIBILITY TO ENHANCE SHAREHOLDER RETURNS

- Balance sheet supports additional investment in acquisitions with new minimum spend commitment each year up to 2027
- Consistency of cash generation supports additional shareholder returns

c.£700m p.a.
committed primarily to be invested in value-accretive acquisitions and, subject to acquisition spend, returns of capital in each of the three years ending 31 December 2027

£450m
2024 completed buyback plus the announced 2025 buyback

2.6x
dividend cover in 2024, with further normalisation planned

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. c.97% of our purchasing spend today is either in low risk regions, with assessed or compliant suppliers in high risk regions, or on other non-product related costs which include freight, duties and FX related costs.

FRANK VAN ZANTEN
Chief Executive Officer

3.1%
revenue growth[2]

1.8x
adjusted net debt to EBITDA[1]

8.3%
operating margin[1]

£634m
free cash flow[1]

7.2%
adjusted operating profit[1,2] growth

£883m
record committed spend on acquisitions

DELIVERING HIGHLY RESILIENT COMPOUNDING GROWTH

Overview

Bunzl has delivered another year of strong adjusted operating profit growth, building on its track record of consistent annual earnings growth, and highlighting the resilience of Bunzl's business model and the success of its compounding growth strategy, underpinned by the ingenuity and dedication of its people. Over 2024, our operating margin continued to expand, and we saw a recovery from a period of organic revenue decline as revenue trends improved in the second half of the year. Operating margin remains sustainably higher than the levels achieved historically, having expanded from 6.9% in 2019 to 8.3% at constant exchange rates. This margin expansion has been supported by both higher margin acquisitions and good margin management initiatives, including the development of own brand, as well as our continual focus on operational efficiency and increasing value-added services to customers.

Bunzl has had a record year of allocating capital to acquisitions, with 13 announced in 2024. Over the year, acquisitions included our first geographic expansion into Finland and Bunzl's acquisition of Nisbets, a leading, high quality distributor of catering equipment and consumables with a strong own brand portfolio and excellent digital capabilities. Bunzl continues to focus on disciplined portfolio management, regularly reviewing its portfolio of companies, and disposed of two small businesses in 2024 and another in January 2025.

Alongside our sustainability and digital capabilities, the development of innovative own brand ranges continues to strengthen Bunzl's competitive advantage, as we create products that drive value and meet specific customer needs, at compelling prices. Approximately 28% of our revenue in 2024 was delivered through the sale of own brand products, with our largest business in North America achieving a particularly strong increase in own brand penetration over the year. Importantly, and across the Group, we continue to collaborate with our strategic third party branded supplier partners to provide unparalleled choice for our customers.

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2. At constant exchange rates.

// CHIEF EXECUTIVE'S STATEMENT *continued*

ACQUISITIONS SUPPORT BUNZL'S STRATEGIC DEVELOPMENT

Strengthening our capabilities and further consolidating fragmented markets

MARKET EXPANSION

- **Share gains** in existing markets
- Expansion into **new sectors within existing countries**
- **Platform acquisitions** – for example, recent entries into **Poland** and **Finland**, and acquisition in **Germany** which materially increased Bunzl's presence

SECTOR DEVELOPMENT

- Focus towards **higher value-added** distribution sectors
- **c.70%** of announced acquisitions have been in the Healthcare, C&H and Safety sectors over last five years
- These three sectors have good **structural drivers** and support GDP plus organic growth opportunity

BUILDING CAPABILITIES AND SCALE

- Enhanced **digital capabilities** across the Group
- **Talent** growth; **c.8,000** more employees over last five years
- Supportive to **own brand penetration**; significant increase to **c.28%** of revenue in 2024
- Scale provides purchasing benefits; revenue **30%**[1] higher than in 2019

ENHANCING GROUP MARGIN

- Group margin **supported by strategy to increase level of value added distribution services**, which has driven the acquisitions in Healthcare, C&H and Safety
- **c.50%** Bunzl's operating margin[2] expansion since 2019 is attributable to higher margin acquisitions

1. At constant exchange rates.
2. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
3. EcoSystems, Verive, Sustain and Revive own brands.
4. Excluding acquisitions made in 2024.

Operating performance

The commentary below is stated at constant exchange rates unless otherwise highlighted.

Revenue

Revenue increased by 3.1% to £11,776.4 million. Acquisition related revenue growth, net of disposals, of 5.1% and a 0.4% benefit from an additional trading day in the year were partially offset by an underlying revenue decline of 2.4%. Organic revenue decline, which is not adjusted for the impact of the number of trading days in the year, was 2.0%. The decline in underlying revenue was mainly driven by deflation across North America, Continental Europe and UK & Ireland; strategic changes in our US foodservice redistribution business to increase our own brand penetration, which alongside price competition resulting from the deflationary environment, led to volume softness; and the expected impact from transitioning ownership of customer specific inventory to our customers in our US retail business in the first half of the year. Underlying revenue in the second half was flat, driven by Group volumes returning to slight growth and a small easing of deflation driven by Continental Europe and UK & Ireland, although deflation persisted in North America longer than expected. Net deflation is expected to remain a headwind to Group revenue heading into 2025.

Safety, cleaning & hygiene and healthcare – total organic revenue in the safety, cleaning & hygiene and healthcare businesses saw a 0.4% increase over the year. Moderate growth in our safety sector was driven by strong growth in Rest of the World, supported by inflation as well as volume growth, but partially offset by more mixed trading elsewhere. The cleaning & hygiene sector saw some volume growth, however, deflation more than offset this leading to a moderate organic revenue decline. Organic revenue in our healthcare businesses saw good growth, driven by Rest of the World.

KEY TAKEAWAYS

Continued acquisition success, with

13 acquisitions

announced in 2024, including acquisition of Nisbets and first acquisition in Finland

c.28%

own brand penetration vs c.25% in 2023

c.45%

increase in our emerging exclusive sustainable own brand[3] SKUs vs 2023

Increased digital order percentage to

75%[4]

vs. 72% in 2023; further enhancing customer stickiness and increasing low touch customer ordering

19

warehouse relocations and consolidations, further driving operating efficiency

// CHIEF EXECUTIVE'S STATEMENT *continued*

Grocery and other sectors – total organic revenue in the grocery and other sectors declined by 1.8%, with volume growth, driven by net business wins in North America, more than offset by deflation.

Foodservice and retail – total organic revenue in foodservice and retail combined declined by 4.2%. Deflationary pressures contributed a large part of the decline, in addition to the volume impact of strategic actions taken in our US foodservice redistribution business and US retail business, as well as a retail customer loss in the US. Volumes in our US foodservice redistribution business stabilised during the second half of the year and actions taken in North America's retail business drove growth in adjusted operating profit for the sector over the year, alongside a strong increase in return on average capital employed.

Profit and earnings

Adjusted operating profit for the year was £976.1 million, an increase of 7.2%. Operating margin increased to 8.3% compared to 8.0% in 2023, supported by both higher margin acquisitions and an underlying margin improvement. Group gross margin expanded strongly, supported by acquisitions and own brand development, but was partly offset by a higher operating costs to sales ratio. Operating cost inflation was moderate, with wage inflation remaining higher than typical levels in UK & Ireland and Continental Europe, although wage inflation was at more typical levels in North America. Wage inflation in Continental Europe and UK & Ireland is expected to normalise in 2025, although the UK is expected to be impacted by increased National Insurance and National Living Wage costs. Property cost inflation remains high linked to lease renewals, but fuel and freight inflation was well managed over the year, supported by contract retendering in North America. Continental Europe was particularly impacted by its relatively high cost to serve operating model, and the business area has an active focus on cost initiatives heading into 2025. Operating cost efficiency programmes, including warehouse consolidations and relocations, were a partial offset to inflation. Reported operating profit was £799.3 million, an increase of 5.0% (up 1.3% at actual exchange rates).

The effective tax rate of 25.5% was higher than the 25.0% in the prior year, reflecting the increase in the UK statutory tax rate from 23.5% for calendar year 2023 to 25.0% for 2024. The effective tax rate in 2025 is expected to be around 26.0%.

Adjusted profit for the year was £650.5 million, an increase of 5.5%. Adjusted earnings per share were 194.3p, an increase of 5.5%, and basic earnings per share were 149.6p, a decrease of 0.9% (down 4.8% at actual exchange rates), largely due to the currency translation loss related to the disposal of our business in Argentina. The impact of the 2024 share buyback on weighted average shares was limited given the timing of execution was towards the end of the year. The number of ordinary shares in issue, less the shares held in trust, on 31 December 2024 was 329.3 million, with the £200 million share buyback announced for 2025 commencing at the start of January 2025.

STRONG AND RESILIENT GROWTH COMPOUNDER

A business model and strategy that delivers strong growth, high returns and resilience

Consistent long-term growth

- Group revenue CAGR ('14–'24): c.7%, alongside broadly stable leverage[1]
- Significant shareholder value creation since '04

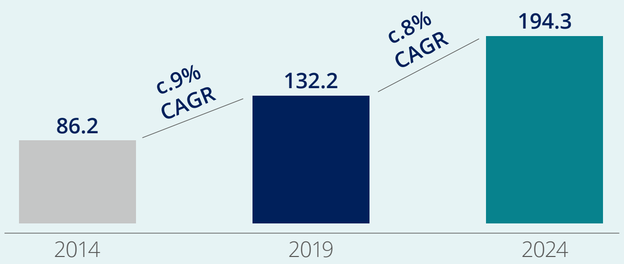
High return on invested capital[2]

- High return on invested capital[2] including significant acquisition spend (£2.6bn committed spend over the last five years)
- Consistently well ahead of Group WACC

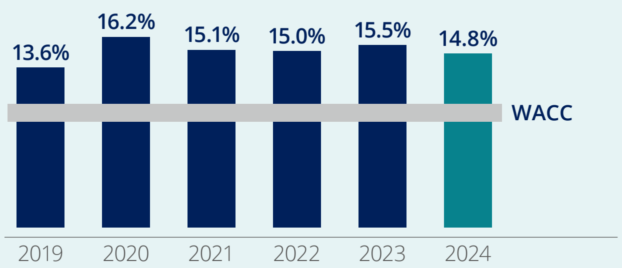
Highly resilient EPS growth

- Low volatility of growth
- Resilient model (position in supply chain, diversification) and consistent growth strategy (ongoing consolidation)

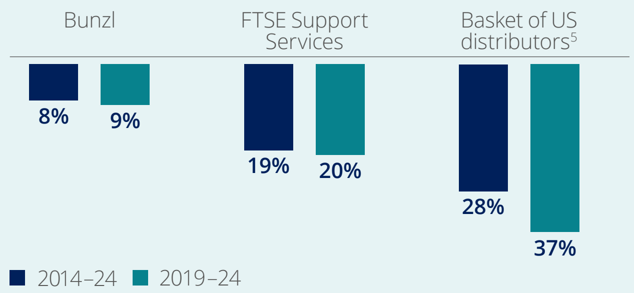
Adjusted EPS[2,3]



Return on invested capital[2]



EPS growth volatility[4]



1. Leverage is adjusted net debt to EBITDA[2] which was 1.8x at the end of 2024 compared to 1.9x at the end of 2014.
2. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
3. At actual exchange rates.
4. Standard deviation of annual EPS growth.
5. Median standard deviation over time periods across: Amphenol, Builders FirstSource, Danaher, Fastenal, Genuine Parts Company, Henry Shein, IDEX, Pool, Sherwin-Williams, Sysco, W.W. Grainger, Xylem.

// CHIEF EXECUTIVE'S STATEMENT *continued*

KEY TAKEAWAYS

Return on invested capital[1]

14.8%

Return on average operating capital[1]

43.2%

Cash and returns

The Group's cash generation continues to be strong, with 93% cash conversion (operating cash flow as a percentage of lease adjusted operating profit) ahead of our 90% target.

Compared to 2023, free cash flow decreased by 1.5% at actual exchange rates, to £633.8 million, due to a decrease in operating cash flow and an increase in net interest paid excluding interest on lease liabilities, partly offset by a lower cash outflow relating to tax. The strength of our underlying free cash flow generation continues to enable our investment in the business, progressive dividends, self-funded value-accretive acquisitions and other capital allocation options. Adjusted net debt to EBITDA, which excludes lease liabilities and includes total deferred and contingent consideration, at 31 December 2024 was 1.8 times and compares to 1.2 times at 31 December 2023.

Returns remained strong with return on average operating capital of 43.2% (46.1% at 31 December 2023, 36.9% at 31 December 2019), while return on invested capital was 14.8% (15.5% at 31 December 2023, 13.6% at 31 December 2019).

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

Strategy: organic growth and operational efficiency

We remain committed to delivering growth through our consistent compounding strategy which focuses on organic growth, operational efficiency and acquisitions. Key to this is our continual focus on innovative solutions to support our customers' businesses. Over the year we have continued increasing the percentage of own brand products sold to our customers, as these products enhance our value-added proposition with specifications designed to meet our customers' needs, and they are offered at compelling prices. Our own brand penetration is currently c.28%, compared to c.25% in 2023, with this increase driven by our initiatives in our largest business in North America. Furthermore, we continue to utilise own brands to support our customers' sustainability ambitions, with a c.30% increase since 2023 in our emerging exclusive sustainable own brand SKUs, under the EcoSystems, Verive, Sustain and Revive brands. The product ranges of these brands are better suited to the circular economy. Overall, these brands saw a c.45% increase in revenue over the year, albeit from a small base. The growth of these own brands has highlighted the strategic importance of being able to provide cost-effective sustainable solutions that meet legislative and market needs. Overall, the proportion of Group revenue, excluding revenue from acquisitions made in 2024, attributable to non-packaging products or packaging made from alternative materials, both own brand and third party, remained high at 86%.

We have increased the proportion of digital sales, which accounted for 75% of orders over the year, excluding acquisitions made in 2024, compared to 72% in 2023.

Pursuing operating efficiencies remains an important part of our strategy to reduce the impact of operating cost inflation. In 2024, we have been able to partially offset operating cost inflation through further optimisation of our warehouse footprint with the consolidation of 14 warehouses and the relocation of an additional 5. Furthermore, the business continues to look for opportunities to utilise technology to drive efficiency, such as through investments in warehouse automation. The Group has an ongoing focus on operating cost efficiencies going into 2025.

Strategy: acquisitions and disposals

2024 was a record year for annual committed acquisition spend, with £883 million committed, surpassing the previous record level of £616 million in 2017. Bunzl's average annual committed spend over the last four years of c.£550 million compares to an average of c.£340 million for the four year period ended 31 December 2020 and c.£250 million for the four year period ended 31 December 2016, highlighting the step change in the level of acquisition spend Bunzl has committed in recent years.

During 2024, Bunzl announced 13 acquisitions across nine countries and five market sectors, including our first entry into Finland, which further extends our business in the Nordics where we already have a strong presence. We also acquired Nisbets, a leading, high quality distributor of catering equipment and consumables in the UK & Ireland, Northern Europe and Australasia, with a strong own brand portfolio and excellent digital capabilities. The integration of Nisbets is progressing well, although market softness and meaningful one-off supply chain challenges earlier in 2024 have impacted financial results, despite improved trading towards the end of the year. With Nisbets strongly complementing our existing businesses, various synergy projects will bring financial benefit to a number of our operating companies in 2025.

Bunzl regularly reviews its portfolio of companies, and in 2024 completed the disposal of two businesses with annualised revenue of c.£17 million. In March, our business in Argentina was sold to its management team, and in July, the Group sold a German business which supplies incontinence products. Furthermore, in January 2025 we sold our US R3 Safety business, Bunzl's only pure wholesale safety business in the US, which generated revenue of c.£50 million in 2024. This decision reflects Bunzl's commitment to ensuring optimal capital allocation across the Group. Since 2022, Bunzl has disposed of four businesses with a combined annual revenue in their final year before disposal of c.£250 million and combined operating margin of low to mid single digit, well below the Group average.

The strength of the Group's cash conversion and balance sheet continues to enable the Group to self-fund further acquisitions, largely through cash generated in the year. Our pipeline remains active, and we see significant opportunities for continued acquisition growth in our existing markets, as well as potential to expand into new markets.

Frank van Zanten
Chief Executive Officer
3 March 2025

OUTLOOK FOR 2025

WE REITERATE OUR GUIDANCE FOR 2025:

- Despite significant uncertainties relating to the wider economic and geopolitical landscape, the Group expects robust revenue growth in 2025, at constant exchange rates, driven by announced acquisitions and slight underlying revenue growth
- Group operating margin[1] is expected to be maintained in-line with 2024 and to remain substantially higher compared to pre-pandemic levels, driven by higher margin acquisitions, as well as a good underlying margin increase
- Other aspects of our full year 2025 guidance, are: (1) the full year effective tax rate is expected to be around 26.0%; (2) the Group expects net finance expenses to be around £115 million

// CHIEF EXECUTIVE'S STATEMENT *continued*

2024 ACQUISITIONS

Acquisition	Completion	Description
Pamark Group	February 2024	• A leading distributor of cleaning & hygiene, healthcare, foodservice and safety products to a broad range of customers in Finland • Bunzl's anchor acquisition into Finland • Revenue of EUR 56 million in 2023 (c.£49 million)
Nisbets	May 2024	• A leading high quality distributor of catering equipment and consumables in the UK & Ireland, Northern Europe and Australasia, with a strong own brand portfolio and excellent digital capabilities • Revenue of £498 million in 2023
Clean Spot	June 2024	• A distributor of cleaning & hygiene products and equipment in Canada • Revenue of CAD 7 million in 2023 (c.£4 million)
Sistemas De Embalaje Anper	June 2024	• A distributor of industrial packaging to end-users in Spain • Revenue of EUR 28 million in 2023 (c.£24 million)
Holland Packaging	June 2024	• A distributor of bespoke and customised packaging products and supplies to e-commerce focused companies based in the Netherlands • Revenue of EUR 16 million in 2023 (c.£14 million)
RCL Implantes	July 2024	• A distributor specialising in surgical and medical devices in Brazil • Revenue of BRL 112 million in 2023 (c.£18 million)
PowerVac	July 2024	• A distributor of commercial and industrial cleaning equipment in Western Australia • Revenue of AUD 10 million in 2023 (c.£5 million)
Cermerón	August 2024	• Regional distributor of cleaning & hygiene products to foodservice and hospitality customers in Southern Spain • Revenue of EUR 13 million in 2023 (c.£11 million)
Cubro Group	September 2024	• The leading distributor of mobility aids and clinical furniture to the aged care, community care, and hospital markets in New Zealand • Revenue of NZD 92 million (c.£44 million) in the year to March 2024
DBM Medical Group	September 2024	• A specialist distributor of orthopaedic surgery products in New Zealand • Revenue of NZD 16 million (c.£7 million) in the year to June 2024
Arrow County Supplies	October 2024	• Distributor of cleaning and hygiene products in the UK, with a strong own brand portfolio • Revenue of £24 million in 2023
C&C Group	October 2024	• A specialist foodservice business that complements our existing commercial catering businesses in the UK • Revenue of £26 million in the year to April 2024
Comodis	December 2024	• A leading distributor of cleaning and hygiene products in the Rhône-Alpes region of France, strengthening our presence in this region • Revenue of EUR 23 million (c.£20 million) in the year to March 2024

OUR LEADERSHIP TEAM

Leaders from across the Group meet regularly to review performance, discuss trends affecting our businesses and seek further opportunities for growth and competitive advantage.

Members of the Executive Committee

Board of Directors pages 86 and 87

Frank van Zanten
Chief Executive Officer

Richard Howes
Chief Financial Officer

Diana Breeze
Director of Group Human Resources

Andrew Mooney
Director of Corporate Development

Suzanne Jefferies
General Counsel and Company Secretary

Jim McCool
Chief Executive Officer, North America

Alberto Grau
Managing Director, Continental Europe

Dale Stokes
Managing Director, UK & Ireland

Jonathan Taylor
Managing Director, Latin America

Scott Mayne
Managing Director, Asia Pacific

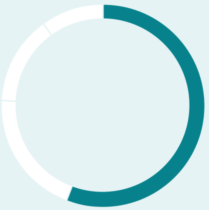
Mark Jordan
Group Chief Information Officer

// BUSINESS AREA REVIEW

STRONG MARGINS IN NORTH AMERICA

KEY TAKEAWAYS

56% of revenue and 51% of adjusted operating profit[1, 2]



Revenue
£6,568.1m
(2023: £6,973.5m)

Growth at constant exchange[1]
(2.6)%

Underlying growth[1]
(3.4)%

Adjusted operating profit[1]
£515.6m
(2023: £528.0m)

Growth at constant exchange[1]
1.0%

Operating margin[1]
7.9%
(2023: 7.6%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

In North America, revenue declined by 2.6% to £6,568.1 million, with underlying revenue declining by 3.4%, driven by deflation which impacted our foodservice and grocery businesses in particular. Volumes were impacted by reductions in our foodservice redistribution and US retail businesses but grew overall in the second half of the year supported by a business win. Despite the revenue decline, adjusted operating profit improved slightly, to £515.6 million with operating margin increasing to 7.9%, up from 7.6% in the prior year. Margin was supported by ongoing margin management initiatives and continued strong growth in own brands, particularly in our grocery and foodservice segments.

Our business which supports the US grocery sector saw volume growth, driven by net business wins. Favourable margin management and strong growth in own brands drove modest improvement in operating margin. Our convenience store sector was impacted meaningfully by volume loss in certain product categories.

Moderately lower volumes in our foodservice redistribution business were driven by the impact of strategic changes in the business to drive more own brand penetration, alongside increased price competition resulting from the deflationary environment. Volumes stabilised during the second half of the year. Increased own brand penetration supported margin growth, offsetting some of the impact of the revenue decline.

Our other sub-sectors within foodservice, food processor and agriculture, delivered slight volume growth combined, with our agriculture sector recovering from weather driven weakness in the first half of 2023. Margins in our food processor business benefitted from good margin management.

Revenue from the distribution of cleaning & hygiene products declined modestly, as price deflation was offset in part by growth in own brand product categories.

Revenue in our retail supplies business declined due to the annualised impact of transitioning ownership of customer specific inventory to certain customers in the first half, as well as a customer loss. However, adjusted operating profit grew strongly, driven by a favourable mix shift towards higher margin packaging, sourcing initiatives and well-controlled operating costs.

Overall, volumes across our safety businesses were stable, with good growth in our PPE business offset by category losses with certain customers in our asset management business. Inclusive of a small deflation impact, revenue was slightly lower, although operating margin expanded due to strong margin management.

Finally, our business in Canada experienced moderate revenue growth, driven by acquisitions. Underlying revenue declined modestly, driven by price deflation and legislative-driven impacts in certain categories, and underlying operating profit grew modestly, primarily as a result of good margin management.

JIM McCOOL
Chief Executive Officer, North America

// BUSINESS AREA REVIEW *continued*

EFFICIENCY FOCUS IN CONTINENTAL EUROPE

KEY TAKEAWAYS

20% of revenue and 21% of adjusted operating profit[1,2]

Revenue
£2,377.1m
(2023: £2,354.9m)

Growth at constant exchange[1]
4.1%

Underlying growth[1]
(1.7)%

Adjusted operating profit[1]
£210.8m
(2023: £224.7m)

Growth at constant exchange[1]
(3.1)%

Operating margin[1]
8.9%
(2023: 9.5%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

Revenue in Continental Europe grew by 4.1% to £2,377.1 million, driven by acquisitions. Underlying revenue declined by 1.7%, driven by price deflation which particularly impacted our cleaning & hygiene, grocery and retail businesses in our largest markets. Adjusted operating profit decreased by 3.1% to £210.8 million, with a decline in operating margin from 9.5% to 8.9% reflective of the impact of selling price deflation, as well as operating cost inflation against a relatively high cost to serve operating model. Operating cost inflation was driven by higher than typical wage inflation throughout the year, renewal-linked property inflation and fuel and freight inflation. The second half of the year was particularly impacted. These dynamics were a particular headwind for operating profit performance in France, certain businesses in the Netherlands and in Denmark, although these were partially offset by increased profit from Spain driven by very strong revenue growth. We have an active focus on cost initiatives heading into 2025.

In France, volumes in our cleaning & hygiene businesses delivered some growth with public sector and foodservice customers. Our safety business revenue declined as some growth with larger customers was not sufficient to offset weaker demand from smaller accounts.

Revenue declined in our foodservice business as lower revenues from specific domestic and export customers combined with flat revenue from public sector customers. Overall, moderate revenue decline alongside operating cost growth significantly impacted the operating margin across France in 2024. Optimising operating costs is a key focus for the country, with a new Warehouse Management System introduced in our cleaning & hygiene businesses and with one of our safety warehouses consolidated into another. During 2025 we will be carrying out a large consolidation of our cleaning & hygiene logistics footprint, including the implementation of a new National Distribution Centre.

Revenue in Spain grew very strongly, driven by acquisitions as well as strong underlying growth, with strong volume growth in our cleaning & hygiene and packaging businesses. Growth was driven by new customers and new product ranges in the packaging business. Our safety businesses saw some growth, but revenue in our online healthcare businesses was impacted by weaker demand.

In the Netherlands, our healthcare business was stable, whilst volumes in our grocery and retail businesses were impacted by changing consumer needs. Revenue in our foodservice business declined moderately, and our safety businesses declined slightly as a result of a slowdown in construction and industry sectors. Overall, revenue across the Netherlands benefited from recent acquisitions.

In Belgium, our cleaning & hygiene businesses achieved some volume growth in healthcare and public sector channels. In Germany, our foodservice business delivered good volume growth from new customers, and the back office functions were merged with our smaller cleaning & hygiene business. Our online cleaning & hygiene business grew strongly.

In Denmark, revenue in our foodservice business declined meaningfully, driven by deflation. Revenue in our safety business grew strongly due to increased activity from customers in the shipping and pharmaceutical sectors. Overall revenue in the country decreased and profit performance was impacted by strong operating cost inflation.

In Turkey, volumes declined as we continue to focus on business that can be profitable in a hyperinflationary environment, while our businesses in Switzerland delivered good volume growth, supported by good performance with healthcare customers, although deflation more than offset this.

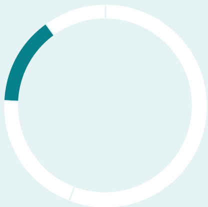
ALBERTO GRAU
Managing Director, Continental Europe

// BUSINESS AREA REVIEW *continued*

INVESTING AND IMPROVING IN UK & IRELAND

KEY TAKEAWAYS

14% of revenue and 13% of adjusted operating profit[1, 2]



Revenue
£1,625.8m
(2023: £1,365.5m)

Growth at constant exchange[1]
19.3%

Underlying growth[1]
(4.2)%

Adjusted operating profit[1]
£135.1m
(2023: £103.4m)

Growth at constant exchange[1]
31.0%

Operating margin[1]
8.3%
(2023: 7.6%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

In UK & Ireland, revenue increased by 19.3% to £1,625.8 million due to the impact of acquisitions. This was mainly due to the additional sales from Nisbets, acquired in late May 2024, which more than offset a decline of 4.2% in underlying revenue. The underlying business revenue decline reflects both price deflation, which impacted our cleaning & hygiene, foodservice and grocery businesses in particular, and softer volumes, particularly in the safety, retail and foodservice sectors. Despite the challenging sales environment, the businesses within UK & Ireland generated a significant increase in operating margin which improved from 7.6% to 8.3%, with adjusted operating profit increasing by 31.0% to £135.1 million. Operating profit growth was driven by acquisitions, alongside an improvement in underlying operating profit, supported by a continued focus on good margin management.

Our cleaning & hygiene and care businesses saw moderate volume growth overall, supported by additional customer wins and the acquisition of Arrow County Supplies in October. Our strong sustainability led value proposition to customers continues to be attractive to both existing and prospective customers and contributed to significant growth in operating margins in the year.

The safety businesses experienced a slight increase in revenues in 2024, due to the full year impact of the 2023 acquisition of EHM and was further supported by some new contract wins through the course of the year, in the context of a very challenging year for construction. The business has continued to invest in new operationally efficient locations to deliver outstanding levels of service to customers and is well placed to take advantage of opportunities within housebuilding and other infrastructure projects in 2025.

Volumes in our grocery business were stable, but volumes in our non-food retail businesses saw a moderate decline due to our customers experiencing softer demand from consumers. Our non-food packaging business aimed primarily at the luxury end of fashion and jewellery has been negatively impacted by reduced demand from consumers in both Asia and in Europe. We continue to work with Group companies around the world to provide local fulfilment services in-house which enhances our added value offer to international customers and provides growth opportunities. Despite challenging market conditions our businesses were able to benefit from several product sourcing initiatives.

Our foodservice businesses saw a slight decline in underlying volumes given a tough trading environment for customers, but the businesses delivered year-on-year operating profit growth as a result of strong margin management.

Total foodservice revenues benefited from acquisitions, particularly the acquisition of Nisbets. Over the year, some key customer contract renewals have continued to demonstrate our strong sustainability offering, including our ability to provide sustainable and innovative product alternatives. Nisbets was impacted by market softness and meaningful one-off supply chain challenges earlier in 2024, but ended the year with positive momentum and with synergy projects to benefit in 2025.

Revenue in our businesses in Ireland was slightly down, with volume growth, despite some weakness in the foodservice sector, more than offset by deflation. The continued investments in our operations, including the enhancements made to our warehouse management systems, led to significant warehouse productivity benefits and transport savings. Some notable recent retail sector wins provide opportunities for growth in 2025.

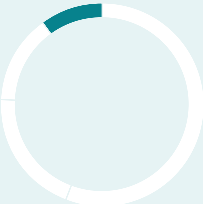
DALE STOKES
Managing Director, UK & Ireland

// BUSINESS AREA REVIEW *continued*

MANAGING STRONG GROWTH IN **REST OF THE WORLD**

KEY TAKEAWAYS

10% of revenue and 15% of adjusted operating profit[1, 2]



Revenue
£1,205.4m
(2023: £1,103.2m)

Growth at constant exchange[1]
17.1%

Underlying growth[1]
5.5%

Adjusted operating profit[1]
£146.2m
(2023: £119.6m)

Growth at constant exchange[1]
32.3%

Operating margin[1]
12.1%
(2023: 10.8%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

In Rest of the World, revenue increased 17.1% to £1,205.4 million, mainly driven by acquisitions, with underlying revenue increasing by 5.5% driven by strong volume growth in Latin America, and both volume and inflation support in Asia Pacific. Adjusted operating profit grew by 32.3% to £146.2 million with operating margin increasing from 10.8% to 12.1%, driven by positive contributions from acquisitions and supported by good margin management.

In Brazil, our safety businesses delivered very strong sales growth, with strong underlying revenue growth complemented by the benefit from acquisitions, although operating margins were lower driven by sharp currency devaluation. Our healthcare businesses delivered strong underlying growth, with revenue overall substantially higher driven by the acquisition of CT Group in December 2023 and RCL in July 2024, and with a significantly higher margin reflective of the inclusion of these businesses, as well as improvements in both third party brand and own brand segments.

Our cleaning & hygiene businesses had a very strong year as integration of Groupo Lanlimp, acquired in November 2023, yielded both sales growth and much higher operating margins. Finally, our foodservice business showed very strong underlying growth in both sales and operating profit as it benefitted from new customer wins and gaining share with existing customers.

In Chile, our safety businesses also showed good sales growth, but competition impacted operating margin. Our foodservice business delivered strong sales and operating profit growth, as operational improvements implemented at the start of the year supported good performance. Our Safety business in Mexico delivered good volume growth, supported by high growth in e-commerce sales, and benefitted from strong margin management.

Bunzl Australia and New Zealand, our largest business in Asia Pacific, saw strong revenue and adjusted profit growth, with the benefit of acquisitions supported by moderate underlying growth, and strong operating margin expansion driven by margin management. Growth continued to be driven by the healthcare sector across both aged care and hospitals, with food processor also performing well, offset somewhat by lower sales in facilities management and hospitality.

Our MedTech business and specialist healthcare operations in Australia and New Zealand continued to deliver good sales growth, and further benefitted from the acquisitions of Cubro Group and DBM Medical Group in September 2024, with operating margin expansion.

Our Australian safety business had good growth with strong sales growth in its direct to end user division outpacing slightly weaker demand in the redistribution business, which sells to distributors.

The emergency services business saw very strong growth, fulfilling several large government orders across the year. The business also focused on developing its service offering in both government and the resource sector to ensure ongoing sales revenue.

SCOTT MAYNE
Managing Director,
Asia Pacific

JONATHAN TAYLOR
Managing Director,
Latin America

// MARKET DYNAMICS

FOCUSING ON ATTRACTIVE END MARKETS WITH STRUCTURAL GROWTH

Our GDP plus underlying growth model is supported by activity within our attractive mix of end markets and further supported by structural growth opportunities across these end markets.

OUR MARKET SECTORS

	SAFETY	HEALTHCARE	CLEANING & HYGIENE	GROCERY	FOODSERVICE	RETAIL
Trends	• Increasing levels of safety standards and compliance • Greater focus on employee well-being • Increasingly fashion conscious products broaden appeal	• Growth of care at home and ageing population • Increased focus on preventative healthcare • Increasing spend on healthcare	• Enhanced cleaning protocols • Technology to improve cleaning efficiency • Increasing return to office working • Opportunity to support customers with innovative, sustainable solutions	• Willingness to outsource non-food essentials • Sustainable packaging growth with transition to alternative products • Omnichannel strategy supports broadening of product range • Resilient demand for products through market cycles	• Eating away from home • Home delivery • Sustainable packaging growth with transition to alternative products • Sector recovery post the Covid-19 pandemic	• Bricks and mortar retail under pressure • Omnichannel strategy offsets this; online retail is a growth area • Sustainable packaging growth with transition to alternative products
REVENUE OPPORTUNITY IN THE MEDIUM TERM						

// MARKET DYNAMICS *continued*

2024 SECTOR DEVELOPMENTS

Bunzl's diversification across sectors and geographies is key to its resilience, with Bunzl also benefitting from structural end market growth drivers.

Sector	2024 sector commentary	2024 revenue as % of Group total	Organic revenue[1] 2024 vs 2019	Organic revenue[1] 2024 vs 2023
Safety	• Moderate revenue growth driven by strong growth in Rest of the World, supported by inflation as well as volume growth, but partially offset by more mixed trading elsewhere	**33%** vs 32% in 2023	**7%**	**0%**
Cleaning & Hygiene	• Moderate organic revenue decline with some volume growth more than offset by deflation			
Healthcare	• Good revenue growth, driven by Rest of the World			
Grocery[2]	• Volume growth, driven by net business wins in North America, more than offset by deflation	**30%** vs 30% in 2023	**22%**	**(2)%**
Foodservice	• Deflation impact alongside volume softness in our US foodservice redistribution business as we increased our own brand penetration; volumes stabilised in the second half	**37%** vs 38% in 2023	**7%**	**(4)%**
Retail	• Actions in North America drove increased profitability and returns			

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. Also includes the 'Other' sector.

MODERATE OPERATING COST INFLATION IN 2024

Wage inflation
- **North America:** at typical levels in 2024
- **Continental Europe:** remained elevated in 2024; expected to normalise in 2025
- **UK & Ireland:** remained elevated in 2024; expected to normalise in 2025
- National Insurance and National Living Wage impact expected in 2025

Fuel and freight inflation
- Well managed, supported by contract retendering in North America

Property inflation
- Remains high, linked to renewals

Ongoing focus on operating cost efficiencies across the Group going into 2025

OPERATING MARGIN INCREASE DRIVERS

Operating margin increase (8.3% in 2024 vs 8.0% in 2023):
- Strong gross margin expansion supported by acquisitions and own brand development
- Partially offset by a higher operating cost to sales ratio

ENHANCING OPERATIONAL EFFICIENCY

Group-wide warehouse consolidations and relocations, partially offsetting property cost inflation

19

Commenced significant restructuring project to optimise warehouse footprint in France; to be completed 2026

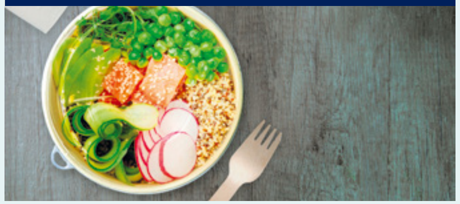
// OUR BUSINESS MODEL

WE PROVIDE ESSENTIAL, TAILORED BUSINESS SOLUTIONS GLOBALLY

A ONE-STOP-SHOP

We provide our customers with essential items that are necessary for their businesses to operate. We reliably source, consolidate and deliver these items through customised solutions, providing both efficiency and value-added benefits.

WE SOURCE



- Sourcing experts and category specialists
- Global supplier relationships
- Own brand portfolio
- Innovative product sourcing, including those well suited to the circular economy
- Customer-specific products
- Competitive prices

WE CONSOLIDATE

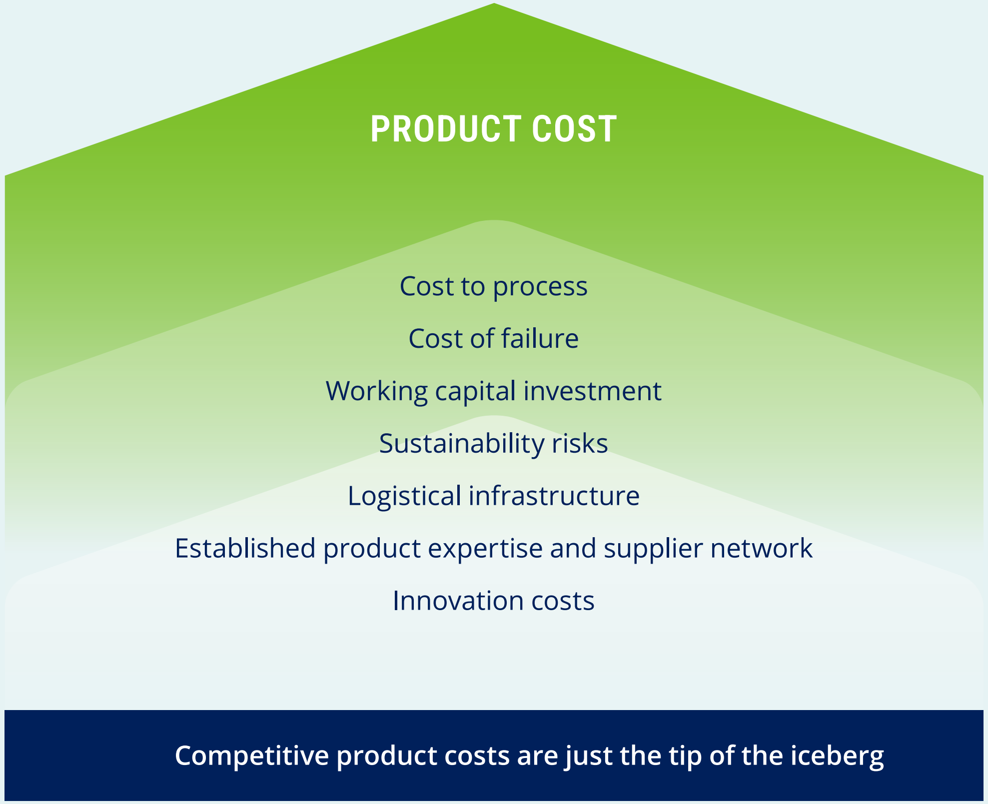
- One-stop-shop for all products in a single delivery
- Customised digital solutions
- Integrated ordering systems
- Analytical support to improve efficiencies
- Carbon savings through consolidated deliveries

WE DELIVER

- On-time, in-full delivery; received just-in-time
- Multiple delivery options that include direct to site, cross dock or warehouse replenishment
- Extensive distribution network with regional and national coverage

OUR SERVICE AND VALUE PROPOSITION FOR OUR CUSTOMERS

By providing our customers with a broad range of essential items, readily available from stock, alongside specialist knowledge and expertise, we provide the reassurance our customers need for important items, which allows them to focus on their core businesses. The value of our service to our customers goes far beyond the cost of the products sourced.



// OUR BUSINESS MODEL *continued*

OUR SOURCES OF COMPETITIVE ADVANTAGE

Tailored solutions and value-added services

Adding value to our customers' operations, ensuring products sourced meet our customers' needs and they receive their orders on-time and in-full.

Our people

c.30% of our colleagues are sales experts or local customer service specialists who provide detailed advice to customers on all product and service-related matters.

Decentralised model

Comprising c.160 operating companies, with a decentralised operational structure, Bunzl's management teams focus on their customers' needs in their local markets and create an energised entrepreneurial environment.

Global and ethical sourcing

Working with suppliers to give our customers access to the best products and solutions, with the reassurance that they have been ethically sourced.

International scale

With operations in 32 countries, our extensive distribution networks mean we can deliver to customers on a local, regional, national and international basis. We can show agility locally while being able to share expertise and knowledge across the Group.

Sustainable and responsible solutions

Our depth of expert advice, own brand ranges and priority data help our customers navigate the complex transition to new products and solutions.

Acquisition track record

We have a strong track record of successfully integrating acquisitions, helping us to grow our geographic footprint while retaining the 'local' feel of our acquired businesses.

Digital capabilities

Our tailored digital solutions enhance the experience for our customers, supporting customer retention, while increasing the efficiency of our own operations.

Own brand portfolio

We have a growing portfolio of own brand solutions that meet specific customer needs.

Carbon efficient model

Our consolidation model achieves a reduced carbon footprint in comparison to competitors who process smaller, unconsolidated orders.

GENERATING VALUE FOR ALL OUR STAKEHOLDERS

Customers

75%
of customer orders processed digitally[1]

Colleagues

76%
of our operating companies participating in 'Great Place to Work' survey achieved accreditation

25%
senior leadership roles[2] filled by women

Shareholders

£450m
2024 completed buyback plus the announced 2025 buyback

32yrs
of consecutive annual dividend growth at 9.5% CAGR

Suppliers

33%
of suppliers[3] by emissions currently have science-based targets in place

1,175
suppliers assessed in 2024

Environment

18%
reduction in absolute scope 1 and 2 carbon emissions since 2019

26%
more carbon efficient since 2019

Read more about the value we create for stakeholders on page 26

1. Excluding acquisitions in 2024.
2. Comprising c.530 leaders who receive long term incentives as part of their remuneration.
3. Suppliers that are covered by our scope 3 supplier engagement target.

CAPITAL ALLOCATION AND SHAREHOLDER RETURNS

Our capital allocation priorities remain unchanged and focused on the following: (1) to invest in the business to support organic growth and operational efficiencies; (2) to pay a progressive dividend; (3) to self-fund value-accretive acquisitions; and (4) to distribute excess cash. In the 21 years from 2004 to 2024, inclusive, Bunzl has committed £6.1 billion in acquisitions to support a growth strategy that has delivered an annual adjusted earnings per share CAGR between 2004 and 2024 of c.9%, and has returned £2.7 billion to shareholders through dividends and the 2024 share buyback.

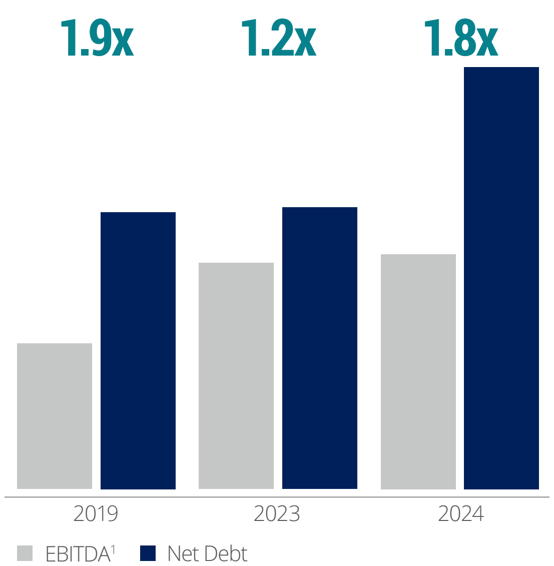
The strength of Bunzl's performance and high cash generation in recent years has resulted in low leverage compared to an adjusted net debt to EBITDA target of 2.0 to 2.5 times. This was despite a step change in the level of value-accretive acquisition spend in recent years. As a result, in August 2024 the Group committed to measures which are intended to steadily return it to its target leverage range by the end of 2027.

RICHARD HOWES
Chief Financial Officer

HEALTHY BALANCE SHEET AND STRONG CASH FLOW; OPPORTUNITIES TO ENHANCE SHAREHOLDER RETURNS

2019–2024: REDUCTION IN LEVERAGE

Leverage[2]



Cumulative free cash flow[1] generated
£3.5bn

Total spend on acquisitions and dividends
£3.9bn

2019 return on invested capital[1]
13.6%

2024 return on invested capital[1]
14.8%

CAPITAL ALLOCATION PRIORITIES

1 Invest in the business
- Low risk, high-return investments remains our priority
- Asset light business model

2 Pay a progressive dividend
- 32 consecutive years of annual dividend growth
- Dividend cover expected to normalise further in 2025

3 Value-accretive acquisitions
- Acquisitions in our target 6–8x EV/EBITA range are highly accretive
- Record level of committed spend in 2024; active pipeline

4 Distribution of excess cash
- Initial £250m share buyback completed; further £200m underway
- Underpinned by strong cash generation and low leverage[2]

Notes:
1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. Adjusted net debt to EBITDA[1] (see Note 3 to the consolidated financial statements on page 151).

// CAPITAL ALLOCATION *continued*

As a highly cash-generative business, Bunzl is expected to have significant capacity to continue its proven strategy of completing value-accretive acquisitions, and its acquisition pipeline remains active within the very large and fragmented global markets that it operates in. Aligned to Bunzl's disciplined capital allocation policy, and supported by strong free cash flow generation, Bunzl has committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027. If at the end of each year, the total committed spend on value-accretive acquisitions is below £700 million, the Group will return the remainder to shareholders through a capital return in the following year. In addition, and recognising the Group's strong balance sheet, the Board executed a £250 million share buyback during the second half of 2024. A further share buyback of £200 million is underway, with £50 million of shares purchased to date, and the remainder to be executed during 2025. Alongside the buyback, Bunzl committed £883 million to value-accretive acquisitions and as at 31 December 2024 had an adjusted net debt to EBITDA of 1.8 times.

COMMITTED TO RETURN TO ADJUSTED NET DEBT TO EBITDA TARGET RANGE OF 2.0–2.5x BY 2027

£883m
committed acquisition spend in 2024

c.£700m p.a.
allocated towards value-accretive acquisitions and, subject to acquisition spend, returns of capital

2024 | 2025 | 2026 | 2027

£250m
Initial share buyback completed in 2024[3]

£200m
Share buyback initiated in 2025[3]

Capital returns to be determined based on **2025 committed acquisition spend**

Capital returns to be determined based on **2026 committed acquisition spend**

2024 adjusted net debt to EBITDA[1]
1.8x
Committed to return to adjusted net debt: EBITDA[1,2] target range of
2.0–2.5x
by 2027

Value-accretive acquisitions remain our preference and our acquisition pipeline is active

Notes:
1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. Includes deferred and contingent consideration expected to be paid.
3. Share buyback amounts are in addition to net payments relating to employee share schemes.

// OUR PURPOSE-LED STRATEGY

HOW WE CREATE LONG-TERM SUSTAINABLE VALUE

OUR PURPOSE

To deliver essential business solutions around the world and create long term sustainable value for the benefit of all our stakeholders.

DELIVERED THROUGH OUR VALUES

Humility

Responsiveness

Reliability

Transparency

A COMPOUNDING STRATEGY THAT CONSISTENTLY DELIVERS

Our strategy is founded on the three core pillars of organic growth, operating model improvements and growth through acquisition, with a commitment that growth is sustainable and equitable. Our strategic priorities enable Bunzl to maintain and strengthen its competitive advantages.

1. Profitable organic growth

Use our competitive advantage to support the growth of our customers and to increase our market share.

Read more on page 27

2. Operating model improvements

Daily focus on making our business more efficient.

Read more on page 27

3. Acquisition growth

Use our strong balance sheet and excellent cash flow to consolidate our markets further.

Read more on pages 28 to 30

SUPPORTED BY INVESTMENTS IN SUSTAINABILITY AND DIGITAL

Sustainability

Sustainability is a vital part of the equation. Our depth of expert advice, own brand ranges and proprietary data helps our customers navigate the complex transition to new products and solutions.

Responsible supply chains
c.97% of our purchasing spend today is either in low risk regions, or with assessed and compliant suppliers in high risk regions.

Investing in a diverse workforce
Encouraging more women into leadership roles and continuing to build a truly inclusive culture across Bunzl.

Taking action on climate change
Reduce carbon footprint and get to net zero by 2050 at the latest.

Providing tailored solutions
Significantly increasing the amount of recyclable, compostable or reusable packaging supplied to our customers to help them meet their targets.

Digital capabilities

Our tailored digital solutions enhance the experience for our customers, supporting customer retention, while increasing the efficiency of our own operations.

// STRATEGY IN ACTION

CASE STUDY

DRIVING ORGANIC GROWTH IN ACTION

Flagship sustainable own brand development

Over the past year, Bunzl has achieved significant revenue growth in our portfolio of emerging exclusive sustainable own-brands. This has been achieved through a focus on creating high quality bespoke products which are designed to help customers meet their targets and avoid the impact of legislation. These are flagship products created in house within dedicated brands which we have full control over, to drive organic growth by meeting market demands.

Additionally we offer unparalleled choice for our customers, through offering dedicated ranges of sustainable commodity branded and unbranded products in collaboration with third-party suppliers.

Increase in emerging exclusive sustainable own brand revenue (2024 vs 2023)

45%

CASE STUDY

OPERATIONAL EFFICIENCY IN ACTION

Investing in warehouse automation: Autonomous Mobile Robots (AMRs)

During 2024, we have been exploring investments in different AMR solutions tailored to the product mix and business case in various warehouses across the Group. AMRs are designed to improve efficiency in order fulfilment by optimising navigation, storage and transportation of goods around a warehouse. They also offer additional health and safety benefits from eliminating manual labour and distance travelled for employees, reducing safety incidents and fatigue.

North America example

At one of our North American Distribution Centres, we have successfully trialled the use of autonomous pick carts, known as Chucks. Implemented in the second half of 2024, the Chucks have demonstrated very strong efficiency benefits, and we plan to invest further in this technology in 2025 at additional warehouses.

Reduction in seconds per pick

60%

Increase in lines per hour

150%

Continental Europe example

One of our businesses in Denmark requires larger warehouse space following a period of sustained growth, to support future expansion.

We are taking the opportunity to invest in automating a part of the warehouse, installing a new 'goods-to-man' AMR system. Products will be densely stored in one area, with robots bringing shelves and pallets to a stationary employee who then packs the relevant items, not only improving order processing efficiency, but also optimising the storage space in the section of the warehouse that is automated.

Expected improvement in picking productivity compared to manual picking

x2

// ACQUISITION CASE STUDY

PAMARK GROUP

Entering a new country: The right first business with a strong management that can build a pipeline

Pamark is Bunzl's anchor acquisition in Finland, and a leading distributor of cleaning & hygiene, healthcare, foodservice and safety products to a broad range of private and public sector customers.

When entering a new market or geography, Bunzl's approach is to acquire one of the market-leading businesses as an anchor acquisition to serve as a strong platform upon which to then build our presence in that market. When searching for anchor acquisitions, one of the key criteria we are looking for alongside the existing market presence is a strong management team with an established track record of growing their businesses, and the ambition to accelerate this growth further with the backing of Bunzl.

Pamark met all of these criteria, with the company itself having been formed through the merger of two leading Finnish companies, Pamark Oy and MedKit Finland Oy in 2021. They subsequently acquired Systeema Oy in 2022, demonstrating the strength of their pipeline and the consolidation opportunity in Finland, and giving the management team, led by Minna Åman-Toivio, demonstrable experience of accelerating their growth through acquisition.

GROWING OUR POTENTIAL WITHIN A NEW REGION

c.£49m
Pamark revenue in 2023

c.21,000
Pamark customer delivery addresses

//

The support we have received in the past year is amazing. There are at least 160 different operating companies to learn from in the Bunzl family. We truly appreciate having access to this fantastic network and the knowledge we can gather. I am also very excited by the new growth opportunities Bunzl is helping us to unlock, and we are already working on a pipeline of several new acquisition targets in Finland."

Minna Åman-Toivio
Managing Director, Pamark

// ACQUISITION CASE STUDY

OBEX

Acquisitions enable further compounding growth through bolt-ons

Critical to the success of our compounding growth strategy are the opportunities for subsequent consolidation of our large and fragmented markets. Acquisitions also broaden our network of contacts and expand our pipeline further.

A recent example that demonstrates this has been our entry into the Asia Pacific MedTech distribution sector with the acquisition of Obex in 2021, which was the market leader in this sector in New Zealand. Obex provided a strong foundation for Bunzl, unlocking an additional pipeline of opportunities sourced through its management team. Since 2021, we have completed three of these bolt-on acquisitions: Toomac Ophthalmic & Solutions, GRC and most recently DBM in September 2024. These businesses broaden Bunzl's capabilities into other sub-specialties within MedTech, and also serve as Bunzl's entry into Australia MedTech.

Overall MedTech expansion has supported significant growth in the Asia Pacific Healthcare sector for Bunzl, with the acquisition of Cubro most recently in 2024 further supporting Bunzl's expansion in this sector.

LEVERAGING OUR SCALE TO ACCELERATE GROWTH

>7x

New Zealand revenue growth since 2020

//

I am delighted, that after careful evaluation of other potential acquirers in the mix, that we chose to join the Bunzl family. Its proven to be the best decision for us. We came to them with a list of acquisition targets that I knew very well from my experience operating in the market, but which they were less familiar with. We have now executed on purchasing three businesses on the list, with more remaining. It's been great to enter into this partnership and to receive Bunzl's full backing and support to accelerate our growth and expansion in this MedTech market segment together."

Pieter Wijnhoud
Managing Director, Obex

// ACQUISITION CASE STUDY

NISBETS

Acquiring and integrating a platform of scale

Nisbets is a leading high quality distributor of catering equipment and consumables in the UK & Ireland, Northern Europe and Australasia.

When integrating acquisitions, sellers retain the autonomy to continue running their businesses in the same manner as they had been doing successfully before acquisition, with Bunzl adding additional levels of financial reporting rigour and risk management.

Nisbets will provide Bunzl with its expertise in direct response marketing and eCommerce to strengthen the Group. The integration of Nisbets has been progressing well.

The teams have started to identify where Bunzl's scale can support opportunities for growth. For Nisbets, the focus is on purchasing opportunities with common suppliers across the Group, and also potentially cross-selling Nisbets' strong own brands elsewhere in the Group. The benefits from common purchasing synergies identified in the UK will start to accrue in 2025, with the teams continuing to identify further opportunities.

MARKET LEADER WITH STRONG SYNERGY POTENTIAL

60%
Nisbets' sales are own brand products

76
Common suppliers with other Bunzl businesses identified in the UK

//
We see tremendous growth opportunities ahead of ourselves, and are keen to pursue these with the support of Bunzl. Geographic expansion is something that Bunzl can support us with as they have a presence in geographies where we are not yet active. Where we are both active we have reciprocal advantages of scale opportunities."

Paul Rombouts
Managing Director, Nisbets

// OUR PEOPLE

GLOBAL STRENGTH **LOCAL AGILITY**

We recognise that the decentralised nature of Bunzl is one of the Group's greatest strengths. It enables us to get closer to our customers and empowers our local teams to respond to their needs more nimbly.

The same applies to the working environment we provide for our employees – we should respect geographical variation and empower our local leaders to win the hearts and minds of their teams. That said, there is enormous power in taking a Group-wide approach to the key pillars of our People Strategy, and in 2024 we have made good progress, as shown in the table below.

// At Bunzl, we believe that every employee has unlimited potential. By actively listening to and valuing each voice, we strive to create an environment where everyone can thrive and contribute to our continued collective success. Extending the Great Place to Work survey in 2024, which yielded such positive results, is an important tool to help us to take our performance to the next level."

DIANA BREEZE
Director of Group Human Resources

KEY PILLARS OF OUR PEOPLE STRATEGY – 2024 HIGHLIGHTS

BUILDING THE RIGHT CAPABILITIES FOR NOW AND THE FUTURE

- Significant focus on sales capability in North America, including the ongoing transformation of the Bunzl Distribution Sales organisation and a Sales Force Effectiveness programme in Canada
- Building our knowledge and skills in Artificial Intelligence ('AI') through pilot projects and education sessions (e.g. 'white space' tool in Bunzl Spain and education session on the use of AI in Human Resources for the HR Leadership Team)

STRENGTHENING OUR LEADERSHIP PIPELINE

- Continued our Group-wide Senior Leadership Development Programme – of the 102 participants to date 18% have been promoted and 31% identified as successors to senior roles
- Accelerated our Young Talent programmes across the Group including the 2nd cohort of Sales Development Associates in North America and the 4th cohort of the international Young Talent programme in Continental Europe
- Continued our focus on female leadership development with dedicated development programmes in LatAm and Central Europe and the successful expansion of the 'Inspiring Women' networks. See page 35 for Kristy Jones' story

ARTICULATING AND EVOLVING OUR CULTURE

- Group-wide deployment of the 'Great Place to Work' ('GPTW') survey. See pages 32 and 33
- Renewed focus on listening as the basis for a truly inclusive culture – e.g. the launch of the Reverse Mentoring programme for the leadership team (see page 34) and the extension of the Board Listening sessions to involve all non-executive directors

DEVELOPING A COMPELLING EMPLOYER BRAND

- Conducted research with an external provider to measure the effectiveness of our employer brand
- Development of some Group-wide collateral using the concept of 'Unlimited Potential' to describe Bunzl as a place to work
- Begun the process of defining a communications strategy, to include updating the Group website and a social media presence review. To be launched in 2025

// OUR PEOPLE *continued*

Great Place to Work

In 2023, following a successful experiment in Continental Europe, we carried out a global pilot of the Great Place to Work survey, covering around 45% of our global population in every region. In 2024, we extended the survey to all employees.

Across the Group, the achievements were celebrated, but we also remain focused on our commitment to continuous improvement and on making progress on our ambition to create a truly inclusive workplace where everyone can succeed. The insights that we gain from the Great Place to Work survey are an incredibly valuable tool in helping us to achieve this.

GREAT PLACE TO WORK SURVEY

The Great Place to Work Certification is a powerful tool for organisations aiming to enhance their workplace culture and reputation. This certification is more than just a badge of honour; it signifies a company's commitment to creating a high-trust, high-performance environment and helps companies build a supportive and inclusive workplace, driving long-term success and innovation.

However, equally important is the valuable insight which the survey provides into how our employees really feel about working for Bunzl and in what ways we can improve. The survey measures the level of trust that employees have in their company and its leadership through 5 key pillars of trust:

OUR 5 KEY PILLARS OF TRUST	
Credibility	Integrity, communication and competencies
Respect	Support, collaboration and consideration
Pride	In your job, team and company
Camaraderie	Feeling of welcoming and belonging
Fairness	Equality, impartiality and justice

Results are measured by two key metrics:

- Trust Index – the average number of positive responses to the question; and
- Overall Perception – positive answers to the question "Taking everything into account, I would say this is a great place to work".

81%
Participation rate
(-3pts from 2023)

71%
Trust Index
(+2pts from 2023)

76%
of operating companies who took part were certified
(+1pts from 2023

73%
Overall Perception
(+3pts from 2023)

Note: The 2023 survey scope was approximately 45% of our employees – the 2024 survey scope was all employees so the scores cannot be compared directly

OUR TOP RESULTS

GLOBAL HIGHLIGHTS

People here are treated fairly regardless of their sexual orientation
91%

People here are treated fairly, regardless of their race
90%

This is a physically safe place to work
89%

HEADLINE SCORES

71%	69%	71%	74%	69%
Credibility (+2pts from 2023)	Respect (+1pts from 2023)	Pride (+1pts from 2023)	Camaraderie (+2pts from 2023)	Fairness (+1pts from 2023)

REGIONAL RESULTS

	NORTH AMERICA	CONTINENTAL EUROPE	UK & IRELAND	LATIN AMERICA	ASIA PACIFIC
Trust Index	71%	70%	69%	72%	73%
Overall Perception	76%	71%	69%	76%	75%

// OUR PEOPLE *continued*

SPOTLIGHT ON BUNZL NORTH AMERICA

Following limited participation in the Great Place to Work 2023 pilot survey, the Bunzl North America businesses fully embraced the 2024 extended survey with 80% participation from the c.8,500 employees invited to participate. Some of the key highlights of their results are summarised below.

KEY HIGHLIGHTS

Safety The region received 89% positive responses to the statement 'This is a physically safe place to work'	**Onboarding new joiners** Significant improvements in the onboarding of new employees – 83% positive score for the question 'When you join the Company, you are made to feel welcome' and high scores from those with two years service or less (80% Overall Perception score and 75% Trust Index score)	**Inclusivity** A particular area of pride was the high scores around inclusivity and a sense of belonging (see below)

INCLUSIVITY

People here are treated fairly regardless of their sexual orientation	People here are treated fairly, regardless of their race	People here are treated fairly, regardless of their gender	I can be myself around here
90%	87%	86%	81%

EMERGING IMPORTANCE OF THE GREAT PLACE TO WORK CERTIFICATION

Enhances employee morale and improves retention	Helps us to attract top talent by signalling Bunzl's investment in people	Strengthens brand reputation and builds trust with clients and stakeholders	Drives business success through a motivated and engaged workforce

CASE STUDY

McCUE CORPORATION

McCue Corporation has five different locations and 154 employees. Overall, 150 employees (97%) responded to the survey and results were very positive, with staff in China posting a Trust Index of 95% and Overall Perception of 93%. In the McCue US population, Trust Index scoring was 79% and Overall Perception was 84%.

// We were very pleased to see that our employees feel that McCue is a safe and inclusive environment to work in; however, one of the primary functions of the Great Place To Work survey is to identify gaps in our practice and suggest ways to fill these gaps. So, while celebrating we will also work hard on the challenges the survey highlighted and endeavour to improve on our scores."

VINCENT JUNGELS
Chief Finance Officer and Chief Operating Officer, McCue Corporation

CASE STUDY

BUNZL CANADA

Overall, 966 employees (87%) responded to the survey with a positive set of results. A Trust Index of 74% and Overall Perception score of 76% were achieved. We were also pleased that 92% of participants agreed that Bunzl Canada is a physically safe place to work.

// We have worked hard in all of our businesses in Canada to create a work environment where everyone feels valued and shares our commitment to delivering service excellence for our customers, that includes investing significant time and effort into improving what we do, how we do it and how we communicate with our employees."

JOHN HOWLETT
President, Bunzl Canada

Read the press release here

// OUR PEOPLE *continued*

EMBRACING DIVERSITY THROUGH **REVERSE MENTORING**

How bridging gaps can drive inclusivity and innovation in the workplace.

As part of our commitment to ensure that Bunzl has an inclusive culture where everyone, irrespective of background, can thrive and build their careers, we launched a reverse mentoring programme for the Group leadership team in 2024.

Reverse mentoring is a practice where employees at an earlier stage of their career and from different backgrounds mentor more experienced colleagues, often in areas like technology, social media, and current trends. This approach fosters a two-way exchange of knowledge and perspectives, breaking down traditional hierarchical barriers. We hoped that the programme would help embrace diversity by promoting inclusivity and understanding across different generations, cultures, and backgrounds. By valuing the insights of these employees, we hope to create a more dynamic and innovative workplace, where diverse ideas and experiences are celebrated and leveraged for growth.

We partnered with School for CEOs to support the programme, help us to identify the most appropriate participants and provide the structure and communication materials for mentors and mentees. The programme was then built around structured interventions such as workshops and calls, informal email prompts, and pair-led reverse mentoring conversations.

Please read on for a Q&A with Dale Stokes, Managing Director UK & Ireland, who was mentored by Mala Narula, Senior Internal Audit Manager through the programme.

CASE STUDY

Q&A WITH DALE STOKES, MANAGING DIRECTOR UK & IRELAND AND MALA NARULA, SENIOR INTERNAL AUDIT MANAGER

What were your expectations going into the programme?

Dale
I wasn't sure what to expect but knew it could challenge and inform my outlook, improving my understanding of different views held by those who have a different background to myself.

Mala
Having never been part of a reverse mentoring programme before, I went in with an open mind, expecting to share thoughts, insights, and perspectives on topics important to Bunzl leaders.

What were the highlights/key learning points you took from the initiative?

Dale
I found a safe space with my mentor to discuss sensitive topics, focusing on diversity themes like age, gender, and race. Hearing from someone with a different background and with experience of living and working in many different countries brought fresh perspectives. During the programme we shared insights with one another from the various external events that we had attended and used real-life Bunzl situations to explore the obstacles facing colleagues from different backgrounds.

Mala
The programme highlighted Bunzl's decentralised culture and diverse experiences. It was so interesting to see that two individuals who work for the same company have had very different experiences – I can see why some colleagues stay at Bunzl for many years and feel they have had multiple careers.

My mentee was open to learning and acknowledged areas for improvement. I found it very motivating to have an engaging mentee who valued my thoughts. It very much made me feel like my voice matters.

Being able to build a trust-based relationship and network globally was also rewarding. I became more mindful of privilege and the importance of psychological safety.

How do you think you will take your experience in the reverse mentoring programme into your work going forward?

Dale
The programme reminded me of the value of diverse perspectives in making better business decisions. It also taught me the importance of creating a safe space for open discussions.

Mala
I realised the importance of leading with empathy and creating a safe space for honest conversations. This experience motivates me to continue building and celebrating a diverse team.

// OUR PEOPLE *continued*

CAREER DEVELOPMENT

At Bunzl, we are dedicated to creating an inclusive environment where women can thrive and reach their full potential.

As part of our commitment to investing in a diverse workforce (see pages 52 to 54), we aim to break down barriers by providing equal opportunities for the advancement of our female employees, empowering them to lead with confidence and innovation. We are proud of the achievements of women in our Company and continue to champion their growth and success, with a view to unlocking their unlimited potential.

As seen on page 53, 25% of our senior leadership roles are held by women. One of these leaders is Kristy Jones, our recently appointed Managing Director ('MD') of Bunzl Safety & Lifting, APAC. Read on to learn about her journey.

CASE STUDY

BREAKING BARRIERS: CELEBRATING FEMALE CAREER GROWTH AT BUNZL

My career at Bunzl began back in 2000 in a Customer Service role for Bunzl Outsourcing Services. I quickly advanced into the sales team, managing various territories over eight years, where I discovered a particular passion for Healthcare accounts. During this period, I had three children, and found that Bunzl was incredibly supportive throughout.

In 2011, I returned to a Sales Management role, leading the Healthcare Clinical Team for NSW, Australia. By 2013, I was promoted to NSW Sales Manager, overseeing a larger sales team across all sectors. In 2018, I became General Manager of NSW, leading Australia's largest facility. In 2022, I was promoted to General Manager of Sales for BANZ Australia, overseeing all branches within the country. I was honoured to participate in the Senior Leadership Development Programme, which I completed in 2023.

This programme was an invaluable opportunity to collaborate with colleagues worldwide to understand and solve shared challenges.

In September 2024, I took up my current role of MD of Bunzl Safety & Lifting, APAC. I am thoroughly enjoying my new role and the opportunity to learn from my wonderful colleagues at Bunzl Safety & Lifting, APAC about our customers and products.

//

Developing my career at Bunzl has been an incredible experience, especially as a female professional. The Company's unwavering support during my career and personal milestones, such as having children, has been remarkable. Bunzl fosters an inclusive and empowering environment, making it a fantastic place for women to thrive and advance in their careers."

KRISTY JONES
Managing Director, Bunzl Safety & Lifting, APAC

// KEY PERFORMANCE INDICATORS

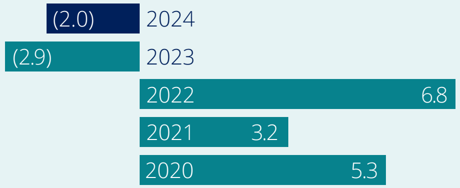
MEASURING OUR STRATEGIC PROGRESS

We use the following key performance indicators ('KPIs') to measure our progress in delivering the successful implementation of our strategy and to monitor and drive performance.

These KPIs reflect our strategic priorities of developing the business through organic and acquisition-led growth and improving the efficiency of our operations as well as other financial and non-financial metrics.

PROFITABLE ORGANIC GROWTH

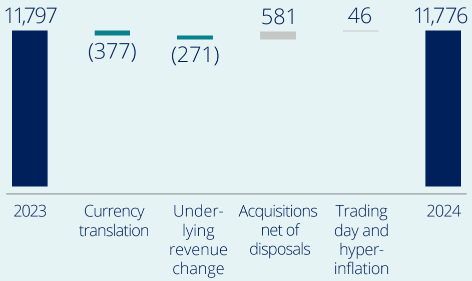
Organic revenue growth[1] (%)



(Decrease)/increase in revenue for the year excluding the impact of currency translation, acquisitions during the first 12 months of ownership and disposals.

Organic revenue decline of 2.0% was driven by wider deflation across North America, Continental Europe and UK & Ireland.

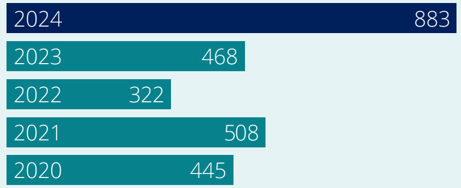
Reconciliation of revenue growth between 2023 and 2024 (£m)



Revenue down 0.2% at actual exchange rates, up 3.1% at constant exchange rates driven by a 5.1% benefit from acquisitions net of disposals and a 0.4% benefit from an additional trading days in 2024 compared to 2023. This was partially offset by a 2.4% underlying decline.

ACQUISITION GROWTH

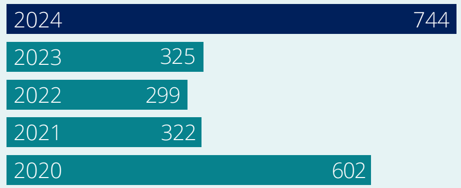
Acquisition spend (£m)



Consideration paid and payable, together with net debt/cash assumed, in respect of acquisitions agreed during the year.

Committed acquisition spend of £883 million across 15 acquisitions.

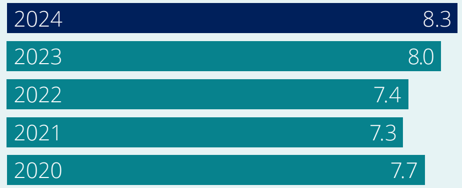
Annualised revenue from acquisitions (£m)



Estimated revenue which would have been contributed by acquisitions agreed during the year if such acquisitions had been completed at the beginning of the relevant year (see Note 9 on page 159).

OPERATING MODEL IMPROVEMENTS

Operating margin[1] (%)

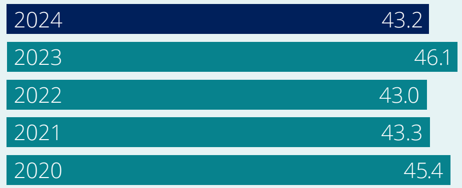


Ratio of adjusted operating profit[1] to revenue.

Operating margin of 8.3% compared to 8.0% in 2023.

Excluding the impact of acquisitions during the first 12 months of ownership, the 2024 operating margin was 8.1%, up from 8.0% in 2023 (restated at constant exchange rates).

Return on average operating capital[1] (%)



Ratio of adjusted operating profit[1] to the average of the month end operating capital employed (being property, plant and equipment, software, right-of-use assets, inventories and trade and other receivables less trade and other payables).

Return on average operating capital decreased to 43.2% from 46.1% in 2023 due to higher average capital employed in the underlying businesses.

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

// KEY PERFORMANCE INDICATORS *continued*

FINANCIAL

Adjusted earnings per share[1] (p)

2024	194.3
2023	191.1
2022	184.3
2021	162.5
2020	164.9

Adjusted profit for the year[1] attributable to the Company's equity holders divided by the weighted average number of ordinary shares in issue (see Note 8 on page 158).

At constant exchange rates, adjusted earnings per share up 5.5% driven by a 7.2% increase in adjusted operating profit[1].

Cash conversion[1] (%)

2024	93
2023	96
2022	107
2021	102
2020	103

Operating cash flow[1] as a percentage of lease adjusted operating profit[1] (see Consolidated cash flow statement on page 144).

Another strong year of cash generation with cash conversion of 93% in 2024.

Return on invested capital[1] (%)

2024	14.8
2023	15.5
2022	15.0
2021	15.1
2020	16.2

Ratio of adjusted operating profit[1] to the average of the month end invested capital (being equity after adding back net debt, net defined benefit pension scheme liabilities, cumulative amortisation excluding software, acquisition related items and amounts written off goodwill, net of the associated tax).

ROIC at 14.8% due to the impact of higher average invested capital from acquisitions.

NON-FINANCIAL

Our commitments	Performance	What's next
Responsible supply chain		
90% of our spend on products from all high risk regions will be sourced from assessed and compliant suppliers by 2025.	89% of our spend in high risk regions was sourced from assessed and compliant suppliers. c.97% of our purchasing spend today is either in low risk regions, with assessed or compliant suppliers in high risk regions, or on other non-product related costs[2].	Using the results of our new supply chain risk assessment to design how our responsible sourcing programme will be structured once our current KPI has been achieved.
Investing in a diverse workforce		
Encouraging more women into leadership roles through focused and targeted activities and continuing to build a truly inclusive culture across Bunzl.	25% women in our senior leadership population 2024: 25% 2023[3]: 22% Senior leadership group defined as the c.530 leaders that receive share awards as part of their remuneration. Since 2016, the number of women in our senior leadership group has more than doubled.	Continue with our current development, mentoring and sponsorship activities to prepare female colleagues for leadership roles. Ensure that all high-potential females have a development plan in place.
Taking action on climate change		
Scope 1 and 2: 50% more carbon efficient (equivalent to a 27.5% absolute reduction) by 2030 (against a 2019 baseline). **Scope 3:** 80% of suppliers by emissions will have science-based targets by 2027. Net zero by 2050 at the latest.	**18% reduction in absolute emissions since 2019.** Absolute carbon emissions (tonnes CO_2e) 2024: 115,660[5] 2019: 141,320[3] **26% improvement in carbon efficiency since 2019.** Emission intensity (tonnes CO_2e per £m revenue) 2024: 10.2[5] 2019: 13.8[3] **33% suppliers[4] by emissions have science-based carbon reduction targets in place.**	We will continue to work with our key suppliers to deliver our new science-based scope 3 emissions target using a combination of methods for our engagement, including face-to-face meetings, webinars and supplier engagement events.
Providing tailored solutions		
Significantly increasing the amount of recyclable, compostable or reusable packaging supplied to our customers to help them meet their targets.	56% of packaging made from alternative materials in 2024. 86% of Group revenue attributable to non-packaging products or packaging products better suited to a circular economy[6]. 1% of revenue generated from consumables facing regulation.	Continuing to engage our key customers in the retail, grocery and foodservice sectors on our sustainability value proposition, supporting them to meet their targets and the requirements of new legislation.

1. Alternative performance measure (see Note 3 on page 151).
2. Includes freight, duties and FX related costs.
3. Emissions in our baseline year have been recalculated to reflect the impact of acquisitions. Emissions intensity has been recalculated using revenue at constant currency. This process has been agreed with the SBTi.
4. Suppliers that are covered by our scope 3 supplier engagement target.
5. Included in the external auditor limited assurance scope. See the assurance statement, which is available on our website, www.bunzl.com.
6. Excluding revenue from acquisitions.

// SUSTAINABILITY

SOLUTIONS FOR A BETTER WORLD

2024 was marked by persistent geopolitical instability, economic challenges and extreme weather events. In such times, companies must develop resilient business models, effectively manage supply chain risks and remain adaptable in rapidly changing environments.

To minimise our impact on the world around us, maintain resilience and support our customers to meet their objectives, we have continued to integrate sustainability into our operations and across our value chain at Bunzl. We are pleased to have made good progress over the last five years and the subject is firmly embedded in what we do and how we operate. This year our businesses have continued to reduce carbon emissions, address social inequalities, and drive the shift towards a more circular economy.

While the sustainability efforts of our operating companies are tailored to the specific challenges they and their customers face, reflecting the unique opportunities and obstacles in their regions and markets, it is the collective endeavour of all our businesses that enables us to achieve our Group wide sustainability goals.

Although the sustainability efforts and strategies of our regions and individual operating companies may differ, they all feature (and in most cases are structured around) the five key themes contained in our Group sustainability strategy.

JAMES PITCHER
Group Head of Sustainability

DELIVERING A MORE SUSTAINABLE BUSINESS

2019

2020
- Central and regional sustainability leads first appointed
- First material footprinting tool launched

2021
- First materiality assessment completed
- New strategy and governance structure launched

2022
- New targets for key themes launched at Capital Markets Day
- Near term climate change targets approved by SBTi

2023
- Climate scenarios assessed, scope 3 emissions calculated
- Board Sustainability Committee established, TCFD and SASB reporting

2024
- Double materiality assessment completed
- Net zero transition plan implemented

50	sustainability experts employed across the Group	**18%**	reduction in absolute emissions[1]
66%	increase in supplier assessments[1]	**26%**	increase in carbon efficiency[1]
89%	high risk spend assessed[3]	**c.45%**	increase in emerging sustainable own brand product sales[2]
11%	increase in women in senior leadership positions[1]	**c.30%**	increase in emerging sustainable own brand product SKUs[2]

1. Since 2019.
2. Since 2023, emerging sustainable brands shown on page 27.
3. In total at end of 2024.

// SUSTAINABILITY *continued*

MATERIAL ISSUES

We recognise that stakeholders and policymakers are increasingly demanding greater transparency in how companies manage sustainability opportunities and risks across their value chains. We have worked to understand our stakeholders' opinions and identify the material issues over the last few years.

Following our first materiality assessment in 2020, we have conducted two further exercises to expand and focus on different components (for example, financial risks and opportunities). We have sought insights on the potentially material impacts, risks and opportunities from stakeholders across our value chain, including our largest suppliers of key commodities (for example, paper and pulp, plastics, and chemicals), major customers from all our business areas, key investors and internal stakeholders, such as members of the Bunzl finance, procurement, operations and sales teams. The methodology and approach for our most recent double materiality assessment can be viewed on page 204.

Our assessments have revealed that the themes that are the most important to our stakeholders have been consistent across the years, with climate change and our efforts to lead the transition to a more circular economy being the top priorities (see following table). Our latest update performed in 2024 focused on our businesses in Europe to help prepare for new reporting requirements, while enabling us to identify any emerging issues we need to address.

Material issue	**CLIMATE CHANGE**		**CIRCULAR ECONOMY**	
Positive/ negative	Positive	Negative	Positive	Negative
Why this is material	Bunzl aims to minimise product-based emissions by offering low carbon solutions across our product range and align with science-based targets to achieve a zero emission global economy. Internally, Bunzl seeks to invest in energy efficiency technology and renewable energy supply in our own operations.	Climate change induced weather events can also disrupt our supply chain and operations, impeding our ability to meet customer requirements. Increased carbon emissions from our operations and supply chain can hinder our contribution to fight climate change.	Bunzl can play an active role in effectively transitioning products to alternative materials that align with customer targets and legislative requirements and supporting customers with end-to-end reusable packaging systems where more reusable materials replace single use products.	The increased demand for circular economy friendly products and growing stringent environmental regulations on products or service presents potential risks if Bunzl is not able to transition customers to products suited to a more circular economy.
Timeframe	Long term Medium term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term
Impact/ Financial materiality*	Impact Financial	Impact Financial	Impact Financial	Impact Financial
Value chain stage	Upstream Own operations Downstream		Upstream Own operations Downstream	
Bunzl's key theme	Taking action on climate change (see pages 45 to 51)		Providing tailored solutions (see pages 55 to 59)	

* **Impact:** Bunzl's actions affect the environment, society and stakeholders materially regarding this topic.
Financial: The topic could have a material influence on the economic decisions of investors or stakeholders, determining a company's financial health and performance.

// SUSTAINABILITY *continued*

Material topic	**OWN WORKFORCE**		**WORKERS IN THE VALUE CHAIN**		**BUSINESS CONDUCT**	
Positive/ negative	Positive	Negative	Positive	Negative	Positive	Negative
Why this is material	Bunzl aims to attract and retain skilled talent within the Company through training programmes, promoting job opportunities and effective succession planning, while creating and maintaining a diverse and inclusive workforce.	The lack of work-life balance, adequate training and best in class employee benefits may lead to Bunzl being less able to recruit and retain skilled staff. The lack of safety management may lead to an increase of the number of workplace injuries in our operation.	Bunzl can have a positive impact by setting appropriate targets and the application of an industry-leading ethical assessment and auditing programme (with quick identification and follow-up of non-conformances) which results in improved working conditions in the supply chain.	Given Bunzl's wide supplier network, there is a risk of procuring goods and services linked to potential human rights violations, such as exploiting marginalised communities or child labour, which could foster harmful practices in the supply chain.	By implementing high standards of corporate governance practices aligned with ESG metrics, Bunzl can satisfy current investors and attract potential investors. Also, Bunzl can raise awareness of ethical and integrity business principles by disseminating high quality policies and standards, such as an anti-bribery and corruption, data protection and supplier code of conduct.	As a FTSE 100, the lack of diversity in the Board of directors and leadership teams may lead to a deterioration of investor perception of the business's inclusion practices.
Timeframe	Long term Medium term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term
Impact/ Financial materiality*	Impact	Impact Financial	Impact Financial	Impact	Impact	Impact
Value chain stage	Own operations		Upstream		Upstream Own operations Downstream	
Bunzl's key theme	Investing in a diverse workforce (see pages 52 to 54)		Responsible sourcing (see pages 42 to 44)		Sustainability governance (see page 60)	

* **Impact:** Bunzl's actions affect the environment, society and stakeholders materially regarding this topic.
Financial: The topic could have a material influence on the economic decisions of investors or stakeholders, determining a company's financial health and performance.

// SUSTAINABILITY *continued*

Bunzl's global operations connect our distributed, flexible supply chain with customers across multiple sectors, including grocery, foodservice, and safety.

Our materiality assessments have considered the environmental, social and governance ('ESG') impacts present across the entire value chain.

We have given appropriate consideration to impacted stakeholders at each stage in the value chain, even though our role is limited to connecting one with another through our sourcing, consolidation and distribution activities.

The illustration below shows the material ESG themes that we have high influence or operational control over and their position in our value chain.

It is not only our value chain that is complex and dynamic, but so too are the solutions we source and supply. The goods not-for-resale we provide to our customers cover a wide range of target sectors, product types and materials and our assessments, including stakeholder interviews, have recognised that these different products and materials have different associated sustainability impacts, risks and opportunities.

Wherever we operate, our operating companies' value chains are designed to provide efficiency, reliability, and value-added benefits to their customers (including sustainability services), allowing them to focus on their core business operations.

MAPPING OUR IMPACT – THE MATERIAL ESG THEMES MAPPED TO OUR VALUE CHAIN

Our supply chain
Upstream

Our business
Own operations

Our customers
Downstream

Tier 2 suppliers and beyond
e.g. raw material producer
LOW INFLUENCE

Tier 1 suppliers
e.g. large multinational paper manufacturer
HIGH INFLUENCE

Our operations and distribution
e.g. Bunzl operating company
OPERATIONAL CONTROL

Customers
e.g. large facilities management company

End consumers
e.g. individual using washroom facility

Our material ESG themes

- RESPONSIBLE SOURCING
- INVESTING IN A DIVERSE WORKFORCE
- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

// SUSTAINABILITY *continued*

OUR SUPPLY CHAIN

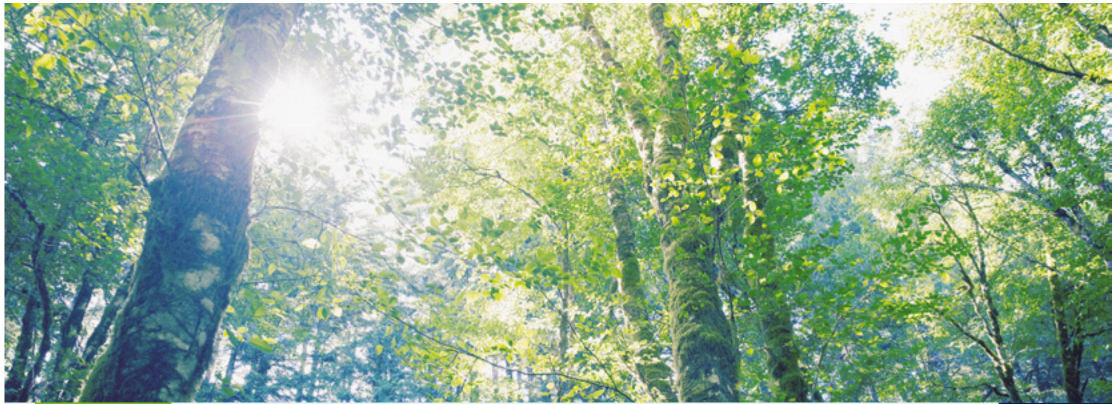
Our material ESG themes

- RESPONSIBLE SOURCING
- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

Our procurement experts and category specialists work with both multinational and local direct suppliers to responsibly source a wide range of products globally. We take a proactive, direct and risk-based approach to ensure that our supply chain partners are complying with the high ethical standards demanded by our policies. We regularly review best practice to ensure that our controls are fit for purpose and have completed a new supply chain risk assessment this year (see page 44 for more details).

We recognise the requirement to develop clear and actionable strategies to address the risks and opportunities posed by climate change within our value chain and have started to collaborate with our largest suppliers to set climate change targets (see page 45 for more details). Accurate data for robust scope 3 emissions reporting will be important in the future, but the collection process remains difficult. Once readily available, this data will allow us to better identify sectors and products with high carbon emissions and coupled with our key suppliers setting targets, will support the transition to a low carbon economy and be a key lever on our path to net zero.

We work with our suppliers to bring innovative product solutions to our customers, including those well suited to the circular economy. Our customers depend on our supply chain partnerships to achieve their sustainable packaging strategies, improve product circularity and increasingly, drive lower emissions across the value chain (see pages 47, 48 and 50 for more details).



CASE STUDY

FORWARD-THINKING ACTION FROM A SUPPLY PARTNER

One of Bunzl's largest global suppliers, Kimberly-Clark, global manufacturer of personal care and hygiene products, known for brands including Kleenex and Cottonelle, has launched its new Forests, Land, and Agriculture Policy. This policy underscores the company's dedication to protecting biodiversity and reducing the impacts of natural forest degradation from its supply chain, and supports its ambition to ultimately eliminate natural forest fibre from its product portfolio. This initiative represents a significant shift towards more sustainable practices and sets a high standard in the family care sector. The policy commits to reducing forest degradation, particularly in northern forests like Canada's boreal forest. It also emphasises the importance of free, prior, and informed consent ('FPIC') for Indigenous communities and sets consequences for non-compliant suppliers, ensuring that deforestation and forest degradation are actively addressed.

// Our policy aims to foster more responsible sourcing practices and create a ripple effect across the market, ultimately contributing to climate and biodiversity preservation. With our ambition to move to 'Natural Forest Fibre Free' we aim to eliminate the use of natural forest fibre, which includes old growth and primary forests, in all our products beyond 2030. We're delighted to work in partnership with forward-thinking customers like Bunzl and are pleased that our industry leading targets help them to reduce the ESG impacts across their value chain."

CHRIS WEBER
Associate Director, Sustainable Sourcing for Kimberly-Clark

// SUSTAINABILITY *continued*

Ensuring our suppliers' adherence to our policies can be a challenging task due to the complexity of our supply chain, which involves numerous Bunzl operating companies and suppliers located at various tiers and levels in diverse locations. Therefore, we take a risk-based approach to responsible sourcing and focus our sustainability and responsible sourcing efforts where we have most risk and influence; our Tier 1 suppliers.

With over 15,000 direct suppliers, focusing on Tier 1 allows us to make more impactful changes within the immediate reach of our businesses. We have limited influence over Tier 2 and other suppliers further down our supply chains, where non-compliance risks are higher. To mitigate these risks, we collaborate closely with our Tier 1 direct suppliers to monitor and manage compliance at this level. Over time, improving the sustainability-related activities in Tier 1 of our value chain will set a strong foundation and once robust practices are established at this level, we and our supply partners can gradually extend our focus to Tier 2 and beyond.

Upstream transportation activities also form an important part of our supply chain, but as this activity is managed and operated by third parties and our customers' principal interest is in the impact our products and services have from a sustainability perspective, this is not an area of focus in our strategy. We also have a proportionally small amount of spend with indirect suppliers who support our operating companies' activities, but this can be classed as immaterial.

Responsible sourcing at Bunzl

Global supply chains are complex networks that join people, products and data. Policymakers and other stakeholders are increasingly calling for greater responsibility and transparency in how companies manage risks within their supply chains and we are proud to have a strong, risk-based approach to responsible sourcing at Bunzl.

With almost 50 million people worldwide estimated to be living in slavery and nearly 28 million of those in forced labour situations, human rights violations in manufacturing supply chains pose a significant risk, necessitating robust due diligence and governance systems to mitigate issues and address concerns.

We have been taking a risk-based approach to auditing in our supply chain for more than 15 years and have more than tripled the number of suppliers we assess compared to 2015. In 2024, we increased the proportion of high risk spend covered by our assessment and auditing programme by 8% to 89%.

We assessed 1,175 suppliers, and 1,075 of these had no critical issues. If our assessments identify any zero tolerance issues (for example, wage violations or instances of forced labour) we work to resolve these quickly through in-depth engagement with the supplier. 100 suppliers required remediation efforts to bring them up to the required standard in 2024 and 81 have completed their action plans to date with 11 still in progress. If resolution is not possible within a reasonable time frame (usually six months) then we terminate the relationship. In 2024 we terminated contracts with eight suppliers who failed to address various issues or make enough progress.

Measure	2023	2024
Number of suppliers assessed	1,022	**1,175**
% of spend in high risk regions that is with assessed and compliant suppliers	81%	**89%**
% of spend related to suppliers in low risk regions, from assessed and compliant suppliers in high risk regions and other non-product related costs[1]	c.96%	**c.97%**

1. Includes freight, duties and FX related costs.

// SUSTAINABILITY *continued*

CASE STUDY

A RISK-BASED APPROACH TO RESPONSIBLE SOURCING

To ensure we take account of the most material issues in our supply chain, we have conducted a new comprehensive risk assessment in 2024. In addition to modern slavery risks, our new methodology has assessed a broader range of ESG issues (bribery, environmental, health & safety etc.) to ensure alignment with the latest legislation and public coverage.

We partnered with supply chain assurance expert, LRQA, to complete the project and have based our assessment on inherent risk data at country and product level to accurately predict risk likelihood.

Our country ESG risk ratings have assessed high risk regions using 38 ESG metrics across five areas: labour, health & safety, environment, business ethics, and management systems. Each country receives an overall supply chain risk rating, along with scores for each pillar and its subcategories, reflecting the worst-case scenario without risk mitigation.

Product risk, like country risk, evaluates sectors based on five key pillars: labour practices, health & safety, environmental impact, business ethics, and management systems. It combines country risk with an added focus on The Bureau of International Labor Affairs ('ILAB') List of Goods Produced by Child Labor or Forced Labor, highlighting products and industries linked to exploitative practices.

The data for our assessment has come from three sources:

1. Audit data: Over 20,000 social and environmental assessments performed across the global supply chain. The data from these audits is standardised and aggregated by country, sector, province or state.
2. Public domain data: Data from NGOs and multilateral organisations to complement audit data, particularly in areas where audits might not fully capture specific violations like forced labour or in regions with limited audit samples.
3. EiQ sentinel data: Web-based data points, including news reports, public records and sanction lists, are used to enrich risk information, capturing risk factors at the company, product, or country level. New data is added monthly to this proprietary system offered by LRQA.

Despite expanding the scope of our assessment to consider a wider range of ESG topics, the top 10 risks associated with our supply chain all relate to modern slavery with forced labour, child labour, hours of work and occupational safety amongst the most pertinent issues. Looking at these risks in isolation our total number of high risk suppliers will remain largely unchanged.

This work and its results reinforce the importance of our ethical auditing programme led by our Global Supply Chain Solutions team based in Shanghai. We are pleased to be nearing achievement of the responsible sourcing target we set in 2021 and will be using the results of our new risk assessment to design how our responsible sourcing programme will be structured from 2026 onwards once our current KPI has been achieved.

// SUSTAINABILITY *continued*

Building a low carbon supplier network

The emissions associated with the products we supply account for around 80% of our total emissions. In 2022, the Science Based Targets initiative ('SBTi') approved our emissions reduction targets as being consistent with levels required to meet the goals of the Paris Agreement and this included our ambition for 79% of our suppliers by emissions to set short term reduction targets by the end of 2027.

Following our communication to key suppliers in 2023 about our new requirements, we launched a new engagement programme with our key supply partners in 2024, which allows us to start assessing where they are on their carbon reduction journeys. We have been working to onboard our key supply partners onto the software platform we are using to support this engagement and have issued our first climate change survey.

The data we have received through our software platform and information available on the SBTi website shows that 33.4% of suppliers[1] by emissions currently have science-based carbon reduction targets in place. In addition to understanding what proportion of our supply chain emissions are covered by science-based targets, we are using the information we receive through our software platform to prioritise engagement with our largest suppliers who do not currently have targets in place to discuss their plans, review their progress and identify opportunities to collaborate.

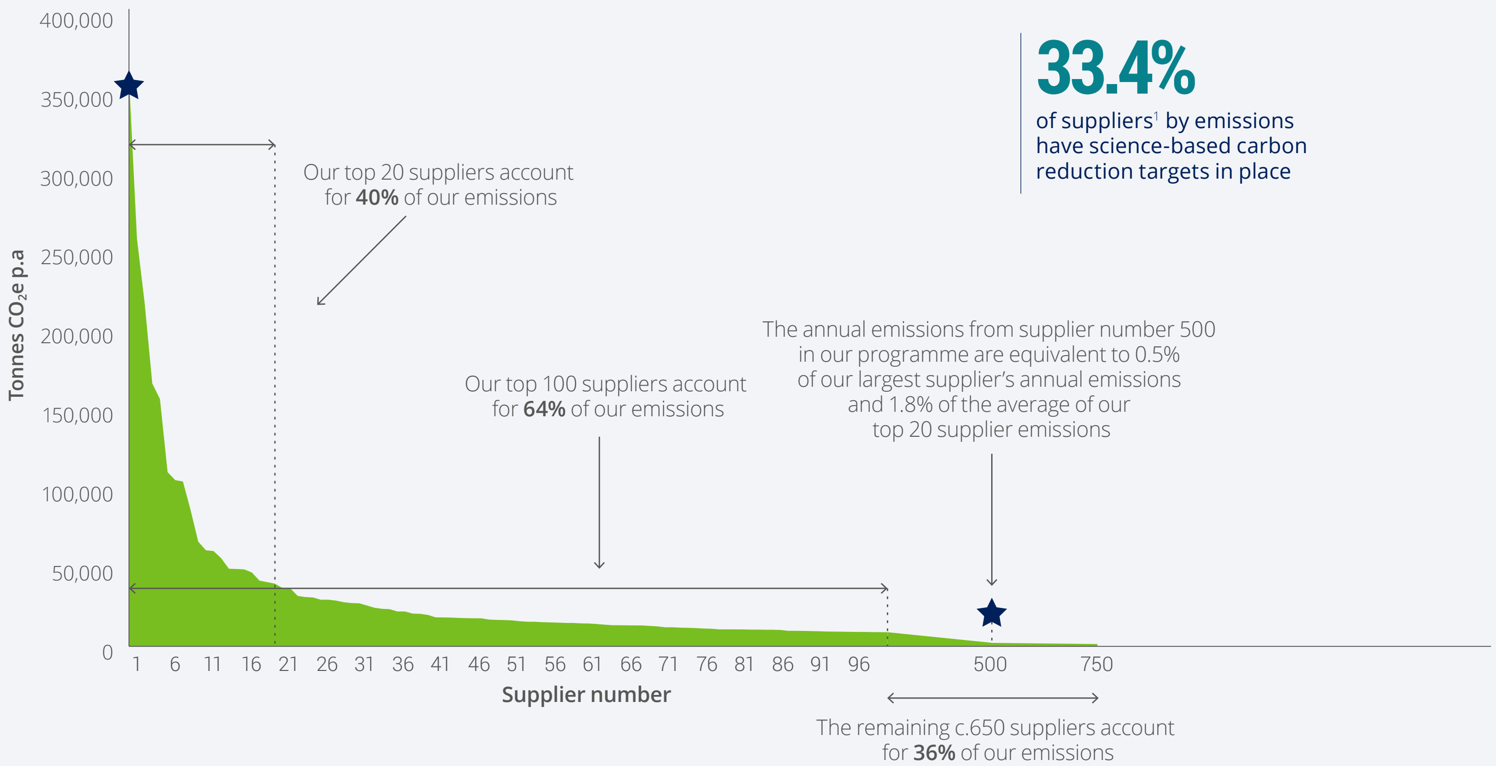
With our top 100 suppliers accounting for c.64% of our emissions we will be taking a top-down approach to engagement, as suppliers in this group who set new targets will have the most beneficial impact on global carbon emissions. In 2025, we will continue to use a combination of methods for our engagement, including face-to-face meetings, webinars and supplier engagement events. During 2024, we have worked to engage our procurement teams across our decentralised organisation and held supplier engagement events in Malaysia, China and Germany.

We recognise that many companies will face challenges in getting their suppliers to set science-based carbon targets and we expect to confront the same difficulties. The reasons given for suppliers not having compliant targets during our engagement to date includes lack of data and resources for carbon baselining and emission calculations, sparse local regulations, political opinion, complex legislation and the costs associated with decarbonisation initiatives. Suppliers citing these challenges (who do not have compliant targets) are present throughout our programme but most concentrated in our tail of c.650 suppliers accounting for c.36% of our emissions.

This said, from the population of suppliers without compliant targets who answered our climate change questionnaire in 2024, c.82% have committed that they will set compliant targets or upgrade their existing targets to meet a science-based definition before our deadline in 2027. If all these suppliers meet their commitments, 60% of suppliers by emissions would have science-based carbon reduction targets in place.

This year, our net zero transition plan has been approved by the SBTi and during this process we followed the SBTi's updated requirements for net zero validation and have upgraded our scope 3 target to ensure 80% of our suppliers by emissions have compliant targets. This will replace our current target and ensure we cover the required proportion of emissions. We will bring more suppliers into our climate engagement programme during 2025.

Supplier emissions in scope of our target



1. Suppliers that are covered by our scope 3 supplier engagement target.

// SUSTAINABILITY *continued*

OUR BUSINESS

Our material ESG themes

- INVESTING IN A DIVERSE WORKFORCE
- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

With operations in 32 countries, our extensive distribution networks mean we can deliver to customers on a local, regional, national and international basis, giving them complete flexibility. Our one-stop-shop service means we aggregate orders from thousands of suppliers into single deliveries which reduces transport miles and carbon emissions.

Our role as a distributor means we do not operate any energy intensive or highly polluting manufacturing facilities and the majority of our carbon emissions are in our supply chain. However, our direct operations can make an important and visible contribution to decarbonisation and our businesses continue to invest, including in our vehicle routing and warehouse management systems and by upgrading our existing assets, to reduce greenhouse gas emissions (see page 51 for examples).

Our dedicated warehouse teams ensure orders are picked to a high degree of accuracy and our drivers represent Bunzl on a daily basis as the main face-to-face contact with our customers. The companies within our Group are dedicated to developing our people through various methods, including formal training programmes, online learning opportunities, coaching and mentoring and are renowned for fostering inclusive work environments, where individuals can excel regardless of their background. They also understand that diverse and inclusive workplaces earn more commitment and deeper trust from their people and that is one of the reasons why Bunzl has increased its focus on this area over the last few years.

Taking action on climate change

2024 was the warmest year on record,[1] with rising global temperatures driving more extreme weather events, such as the devastating flooding in Spain, deadly heatwaves in West Africa and dangerous hurricanes in North America. With the incidences, unpredictability and severity of extreme weather events increasing, the financial impact to farming, infrastructure, productivity and health is projected to be high.

These changes and extreme weather events can be attributed to human activity and as they become more pronounced in the coming decades, without concerted and ambitious action from companies and governments, they will present significant challenges and impacts to our society and environment. With 2024 being the first calendar year when the average global temperature exceeded its pre-industrial level by 1.5ºC[2], the limit set in the Paris agreement, there remains an urgent need for low carbon solutions, a rapid migration away from fossil fuels and more climate-focused legislation.

We recognise the key role that large businesses will play in tackling this global challenge and over the last three years have worked to implement clear, tangible plans for how we plan to tackle climate change-related risks and opportunities across our operations and supply chains. In addition to regularly assessing the long term risks climate change presents to the business, our operating companies and suppliers have continued to deliver against our near term science-based carbon reduction targets and our absolute emissions have decreased by 18% since 2019.

In 2023, we followed the SBTi's Net Zero Standard to develop our transition plan and are pleased that this was formally approved by the SBTi this year. We believe that long term net zero targets need to be aligned with climate science and that achieving net zero represents an opportunity for Bunzl to build a more resilient business. Reaching net zero represents a significant challenge; we will not only need to assess and change our own operations but collaborate with hundreds of customers to achieve the deep emissions reductions. As shown on page 45, we will continue to engage our key partners and leverage our position in the supply chain to drive change and bring other businesses on the journey.

Decarbonisation levers and near term carbon roadmap activities

We have identified five decarbonisation levers that we will use to reduce both near and long term emissions in line with climate science to achieve net zero. Our immediate focus is to deliver our near term carbon reduction targets and continue to take action where we can now. In the short term, to remain aligned to our net zero transition plan, we focus our efforts on two key decarbonisation levers: building a low carbon supplier network and more efficient operations. In addition to these focus areas, activities and projects relating to the other levers are already underway and some examples are provided in the tables on pages 47 and 48.

1. www.bbc.co.uk/news/articles/cd7575x8yq5o
2. www.climate.copernicus.eu/copernicus-2024-first-year-exceed-15degc-above-pre-industrial-level

// SUSTAINABILITY *continued*

Decarbonisation lever	Emission sources addressed	How reduction will be achieved	Overall impact on emissions[1]	Action taken
Emission-free transport: Low and zero carbon logistics	• Commercial vehicles • Company cars • Upstream transportation and distribution • Downstream transportation and distribution	Transition to electric and other zero emission vehicles, prioritising logistics partners who have implemented similar levers	**High**	The transition of smaller commercial vehicles to electric alternatives is progressing, with several conversions completed across our global operations. In 2024, we launched our first electric heavy-duty truck at our cleaning & hygiene business in Bunzl Canada. With a range of 350 kilometres on a single battery charge and operating on 100% renewable electricity, this vehicle is optimised for urban deliveries within the Toronto area. This initiative marks a significant step in advancing both efficiency and sustainability within Bunzl North America's operations. The outcomes of this project, along with other electric vehicle initiatives across the Group will provide valuable insights to inform future decisions regarding our electric vehicle strategy.
		Route optimisation, fuel efficiency monitoring software	**Low**	
		Prioritising logistics partners who use a higher proportion of low emission fuels	**Low**	
Building a low carbon supplier network: Suppliers setting carbon reduction targets	• Purchased goods and services	80% of suppliers by emissions to set and deliver short term reduction targets between (2027 and 2037)	**Very High**	Ecolab Inc., a global sustainability leader offering water, hygiene and infection prevention solutions announced in 2024 that its climate targets have been approved by the SBTi. The validation encompasses Ecolab's near and long term greenhouse gas ('GHG') emissions targets and bolsters the company's track record in its journey to achieve net zero emissions across its value chain. Ecolab Inc. is in the top 10 suppliers by emissions for Bunzl and this group represents 31% of the emissions in our target boundary. To date, 62% of suppliers by emissions in the top 10 (including Ecolab Inc.) have targets formally approved by the SBTi and the remainder have all pledged to meet our requirements by 2027.
		Additional engagement after 2037 with a proportion of suppliers to set net zero targets	**Very High**	
Climate conscious decision making: Providing lower carbon solutions for customers	• Purchased goods and services • End of life treatment of sold products	Customer engagement, education, data and knowledge sharing on the carbon impacts of various products can lead to an increased demand for lower emission solutions	**Medium**	Bunzl Retail Supplies in the UK have worked with leading convenience retailer Co-op to roll out new shroud coverings for backhaul waste cages across its entire store estate. The move will see Co-op moving away from single use stretch-wrap plastic film typically used for cages which hold shopfloor waste, such as packaging and cardboard. The reusable shrouds, which have an expected lifespan of up to five years, are made from recycled plastic and are expected to reduce carbon emissions by around 630 tonnes of CO_2e each year.
		Customers setting net zero targets will cause a shift in the emissions associated with a product's end of life treatment due to increased recycling and reuse rates	**High**	
		Expected improvements in country level waste management and increased recycling rates	**Low**	

1. Very High (>10% of total reduction), High (>5%), Medium (>2.5%), Low <2.5%

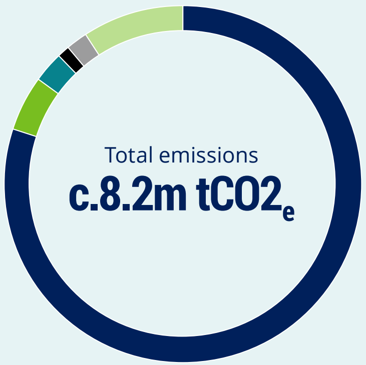
// SUSTAINABILITY *continued*

Decarbonisation lever	Emission sources addressed	How reduction will be achieved	Overall impact on emissions[1]	Action taken
Lower carbon commodities: Raw material carbon reduction	• Purchased goods and services	Long term decarbonisation of the plastics industry through actions, such as reuse schemes, mechanically and chemically recycled plastics, plastics from biomass and Carbon Capture & Utilisation ('CCU') plastics	**Very High**	Faerch, one of Bunzl's packaging suppliers, has an integrated recycling facility called Cirrec that transforms post-consumer household waste rPET from across Europe into new European Food Safety Authority ('EFSA') food-grade packaging. By recycling 3.6 billion food trays annually (soon expanding to 5 billion) Faerch diverts millions of tonnes of plastic from landfill or incineration, significantly reducing emissions associated with virgin plastic production. This industrial-scale recycling operation helps Faerch's partners to lower their scope 3 carbon footprint. Faerch is also accelerating its shift to renewable energy across 29 locations in 15 countries. Power Purchase Agreements ('PPAs') are already in place in Poland, the UK and Denmark with more underway in Spain, Italy, France, Germany and Poland. By 2025, all sites are expected to be covered, supporting Faerch's goal of sourcing 100% renewable energy by 2030.
		Long-term decarbonisation of the paper industry through actions such as: heat pumps to reuse heat, increased pulp from recycled sources, low emission fuels, renewable energy	**High**	
		Long-term decarbonisation of the textiles industry through actions such as: improved materials mix (e.g. recycled and organic fibres), renewable energy, reduced fertiliser use, improved manufacturing efficiency	**Low**	
Low carbon business and workforce: More efficient operations	• Electricity • Travel and commuting	Onsite electricity generation from solar panel installation and renewable energy procurement	**Low**	We are committed to reducing the emissions linked to our electricity use by prioritising energy efficiency projects, transitioning to renewable energy and employing new innovative technologies (as highlighted in the MultiLine case study on page 51). In Australia, we continue to focus on solar energy and in 2024, we converted three more sites to solar power, raising the total number of solar-powered sites to five. Due to these initiatives, 5% of our electricity consumption in Australia now comes from self-generated renewable energy.
		LED lighting and other energy efficiency measures	**Low**	
		Review of business travel practices and reduction in non-essential trips, employees to transition towards electric and other zero emission vehicles over time, decarbonisation of public transport	**Low**	

1. Very High (>10% of total reduction), High (>5%), Medium (>2.5%), Low <2.5%

// SUSTAINABILITY *continued*

Bunzl's emissions breakdown



Purchased goods and services
80%

Downstream transport
1%

Upstream transport
5%

Product emissions
2%

Operations and workforce
3%

End-of-life
9%

Assessing climate change scenarios and their impact on our business

As climate risks become an increasingly significant factor in business operations and the global economy, regulations related to climate risk disclosure are emerging. Once voluntary under frameworks like the Taskforce on Climate-related Financial Disclosures ('TCFD'), climate risk assessments are now mandated by regulations such as Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, the European Union Corporate Sustainability Reporting Directive ('CSRD'), Australia's ASSB S1 and S2, and the California Climate Act.

The Board, Executive Committee and every business area and operating company in Bunzl identify and document risks in a consistent way within the categories of strategic, operational, and financial risks. Our process for identifying and assessing risks on an ongoing basis is detailed on page 66. These include current and emerging climate-related risks and opportunities and by doing so, we are ensuring that climate change is integrated into the Group's overall risk management framework.

In 2024, we have engagement an expert consultant to review and enhance our climate risk assessment, covering our operations and supply chain. As part of this work, the consultant validated our approach to assessing the financial impacts of climate risks and developed a step by step approach that can be updated each year.

The assessment process consisted of five main stages:

1. Defining the scope of the risk assessment

We have carried out an assessment of the countries that have the greatest climate vulnerability and where we have significant business or supply chain presence. Based on this, we identified 17 countries as priorities for the climate risk assessment.

2. Evaluating and prioritising climate risks and opportunities

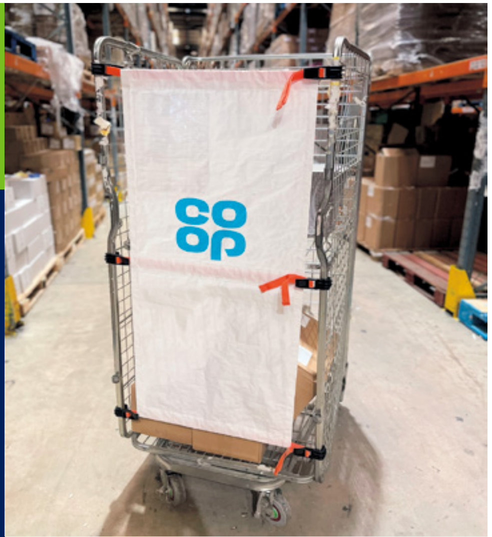
Desktop research was conducted to analyse the 17 prioritised countries based on predefined climate risks from frameworks such as the TCFD and the Carbon Disclosure Project ('CDP'). This was followed by an internal consultation process with Bunzl teams in regions where climate risk regulations are becoming more stringent. The outcome of this process was the identification of seven key transition risks and five physical risks. These risks were categorised into regulatory, market, technology and physical domains.

Key transition risks include increased costs due to higher and stricter carbon prices, the overall impact on the global economy due to economic damage from climate change, loss of revenue due to higher ESG customer requirements and higher costs due to the increased price of raw materials such as oil. Physical risks included acute risks such as extreme temperatures, floods, cyclones, and wildfires, as well as chronic risks related to the gradual rise in mean temperatures.

Each risk was qualitatively assessed based on its magnitude and likelihood. The highest priority risks identified were ESG customer requirements, carbon pricing, the global economic impact of climate change, and extreme weather-related impacts. In addition to climate risks, two climate-related opportunities were identified: increased revenue through shifting customer preferences towards sustainability and the substitution of resources with more sustainable alternatives.

The time horizons for the scenarios were updated to short term: 2030, medium term: 2040, and long term: 2050.

// SUSTAINABILITY *continued*



//

Bunzl has been working with us to quantify the carbon footprint of the materials we place on the market and has had a really proactive approach to baselining the materials we purchase and suggesting alternatives that reduce our overall environmental impact. I've been really impressed with the way the team has approached this emerging challenge of decarbonising packaging materials."

ROB THOMPSON
Senior Packaging Manager, Food Sustainability, Co-operative Group

3. Selecting climate scenarios and timeframes

In a next step, we have updated the assessment of the impact of various climate change scenarios. After analysing climate models from the Network for Greening the Financial System ('NGFS'), the International Energy Agency ('IEA') and the Intergovernmental Panel on Climate Change ('IPCC'), the NGFS model was again selected for its flexibility in assessing both transition and physical risks. The three scenarios, Orderly (Net Zero by 2050), Disorderly (delayed transition), and Hot House World (current policies), were chosen to reflect various climate trajectories and their impact on Bunzl. The 'orderly' and 'disorderly' scenarios align with global warming trajectories of 1.5°C and 2°C by 2100, respectively, but differ in the speed and extent of decarbonisation over the next 30 years. Our final scenario ('hothouse world') assessed the potential impacts of a world in which global warming exceeds 3°C by 2100. Our scenarios broadly align with the environmental and economic conditions represented in the NGFS scenario framework (www.ngfs.net/ngfs-scenarios-portal/explore) and more information can be found on page 206 of our ESG appendix.

4. Evaluating the impact on our business

We have applied the three climate change scenarios to the four key risk areas (carbon pricing, ESG customer requirements, the global economic impact of climate change and extreme weather related impacts) to understand the impact each scenario could have on Bunzl's business. Each climate risk was quantified using three scenarios: best-case, mid-case, and worst-case. We have then worked to calculate the financial impacts associated with the various scenarios.

Looking at the various timeframes and the Group's assessment of risk, principal risks are those which are material to the development, performance, position or future prospects of the Group.

Given our assessment of the likelihood and magnitude of impacts under the various scenarios and for the four key risk areas, we conclude that climate change remains a principal risk for Bunzl. We also conclude that whilst climate change is a principal risk that is likely to have an impact on the Group in the future, the financial impacts are sufficiently limited and uncertain and sufficient opportunities exist to mitigate them. Our climate change response measures have been outlined on page 207 and include proactive scanning and responding to customer expectations, offering a broad range of alternative product solutions, setting science-based emission reduction targets, and effectively passing on increased product costs (for example, due to carbon pricing) to our customers.

5. Effectiveness of response measures

We will continue to evaluate (and when necessary accelerate) our existing response measures to ensure that our business continues to be resilient to the assessed risks and is able to capitalise on business opportunities that our response to climate change may offer.

A low carbon business and workforce

Our scope 1 and 2 carbon emissions in 2024 and our baseline year (2019) are shown in the table below.

We are on track to achieve our science-based reduction targets for 2030, which include a 27.5% reduction in emissions and a 50% decrease in emission intensity. Compared to 2019, our carbon efficiency has improved by 26%, and our absolute emissions have been reduced by 18%. However, our absolute carbon emissions increased by 0.2% in 2024 versus 2023, primarily due to the emissions reported for the first time from recent acquisitions. Additionally, our natural gas consumption rose by 4%, driven by higher heating demands, which contributed to a 0.7% increase in global emissions. Our global electricity consumption and associated emissions increased by 4%, partly due to the increased charging of electricity and hybrid company vehicles on-site. In 2024, approximately 2% of our electricity consumption was allocated to charging electric vehicles ('EVs'). Nonetheless, we observed a notable increase in the adoption of EVs, particularly in the UK & Ireland and Continental Europe, alongside improvements in energy efficiency and a rise in the procurement of renewable energy across the Group, from 25% to 28%.

The transition to EVs has made significant progress, particularly with passenger cars, which have benefitted from advancements in battery technology and charging infrastructure. The transition of smaller commercial vehicles to electric alternatives is progressing, with conversions successfully completed at several sites in North America and the UK & Ireland. Currently, we operate approximately 30 electric commercial vehicles across our fleet. However, scaling this transition to larger vehicles continues to present several challenges.

Scope 1 and 2 carbon emissions (market based)	2019	2024	2024 % reduction (vs 2019)
Total scope 1 and scope 2 emissions market-based (tonnes of CO_2e)	141,320[1]	**115,660◊**	18
Emission intensity market-based (tonnes of CO_2e/£m revenue)	13.8	**10.2◊**	26

1. Emissions and emissions intensity in our baseline year have been recalculated to reflect the impact of acquisitions.
◊ Included in the external auditors' limited assurance scope. See data assurance statement, which is available on our website, www.bunzl.com

// SUSTAINABILITY *continued*

The limitations of current battery capacities significantly impact the efficiency and range of larger vehicles, which are essential for long-distance transportation and heavy-duty applications. Additionally, the infrastructure required to support the widespread use of large EVs remains underdeveloped. The continued reliance on fossil fuels for larger vehicles highlights the need for further innovations and investments to overcome these barriers for a successful large scale transition to electric mobility.

We actively trial and implement new technologies across the Group to support our longer term carbon reduction targets. A notable case study from Denmark demonstrates the effectiveness of technologies in reducing carbon emissions. At MultiLine, one of our businesses in Denmark, the installation of a state-of-the-art heat pump resulted in an impressive 80% reduction in carbon emissions. The heat pump significantly improved energy efficiency, while in a next step the installation of solar panels that generate clean electricity will further offset the need for fossil fuel-based power and supports the site in its journey to become net zero. This integration of green technologies not only enhances sustainability but over time also leads to considerable cost savings. The project highlights the potential for our businesses to achieve substantial environmental benefits while contributing to the Group commitment to a low carbon future.

As suitable new technologies develop, we will revisit our roadmaps accordingly to ensure our activities remain ambitious. The table to the right shows the near term activities our business areas are working on to ensure we stay on track to achieve our scope 1 and 2 science-based reduction goals in 2030.

We also report on our climate change performance through our annual response to the CDP. In 2024, we received a B rating for our response.

Scope 1 and 2 emissions source	KPI % of emissions in 2024	% change since 2019	Key initiatives and results in 2024	Progress
Commercial vehicles	49%	-13%	In 2024, we continued fuel-efficiency improvements with targeted initiatives in North America focusing on reducing diesel consumption in commercial vehicles. We continue to trial and implement electric commercial vehicles where feasible. Conversion of our large commercial vehicles is still at an early stage. Range limitations and impacts on operational efficiency still represent challenges for the large-scale transition of vehicles. We intend to increase the usage of Hydrotreated Vegetable Oil ('HVO') in our commercial vehicles and this initiative is currently in progress. In 2024, we have implemented several transitions to HVO in UK & Ireland and Continental Europe. The HVO consumption by our commercial vehicle fleet increased to approximately 1% of the Group diesel consumption, which is below our initial projections. However, we anticipate a notable increase in HVO usage in 2025, with around 15 additional transitions planned for the year.	**Behind plan but working to meet target**
Company cars	12%	-28%	We continue to replace Internal Combustion Engine ('ICE') company cars with electric and hybrid vehicles. In 2024, we have made significant progress in North America with more than 25% of the cars converted to hybrid. In UK & Ireland, more than 50% of company cars are electric and approximately 25% are hybrid.	**On track**
Electricity	23%	-27%	We continue to install energy efficient lighting in our buildings. In North America, approximately 80% of the square footage of our sites has been equipped with LED lighting. The percentage of renewable energy purchased has increased to 28% in 2024. Our businesses continue to install electricity generating solar panels. Solar panels are now installed at 15 sites across the Group. The electricity generated by these installations represents 1% of our total energy consumption.	**On track**
Heating	16%	-12%	We actively trial and implement new technologies across the Group to support our long term carbon reduction targets. The heat pump installed by MultiLine has significantly improved energy efficiency and a planned installation of solar panels will help to further offset the need for fossil fuel-based power at the business.	**On track**
Total	100%	-18%	We remain on track to meet our near term science-based targets.	**On track**

More information
Detailed energy consumption and climate change data can be found in the ESG appendix (see page 208). Our climate change reporting procedures can be found in the EHS and Sustainability Reporting guidelines in the sustainability section of our website (www.bunzl.com/sustainability/sustainability-reporting/).

The independent assurance for our scope 1 and scope 2 carbon emissions and emission intensity (tonnes of CO_2e per £m revenue) calculations can be found in the ESG appendix of this report (see page 210 and in the EHS data assurance statement in the sustainability section of our corporate website.

// SUSTAINABILITY *continued*

Investing in a diverse workforce

Diversity, Equity, Inclusion and Belonging ('DEIB') are not just buzzwords at Bunzl; they are essential pillars of the success and sustainability of our modern businesses. As a global business we believe that if we embrace diverse perspectives into our decision making we will be able to respond far more quickly and nimbly to the demands of our customers, who themselves are diverse – straddling different market sectors, geographies and with a huge variety of end users. We accept that establishing common DEIB objectives across a decentralised and diversified group such as Bunzl is not easy, but we believe that making progress starts with the creation of a truly inclusive culture, where all of our c.27,000 people can feel a sense of belonging and bring their whole selves to work.

We know that there are very compelling reasons for our businesses to deliver tangible improvements to the diversity of their teams. Firstly, diverse teams are proven to be more innovative and adaptable, and a variety of perspectives leads to better decision making and problem solving, giving our companies a competitive edge. Secondly, an inclusive culture enhances employee engagement (see page 32) and satisfaction, reducing turnover and attracting top talent. Lastly, with our customers and investors increasingly valuing ESG, companies that prioritise diversity and inclusion are more likely to gain their trust and loyalty. We see this focus as a condition of doing business with all our major stakeholders.

Since we launched our first set of Group diversity, equity and inclusion targets in 2021, we have made great progress, as illustrated on page 37.

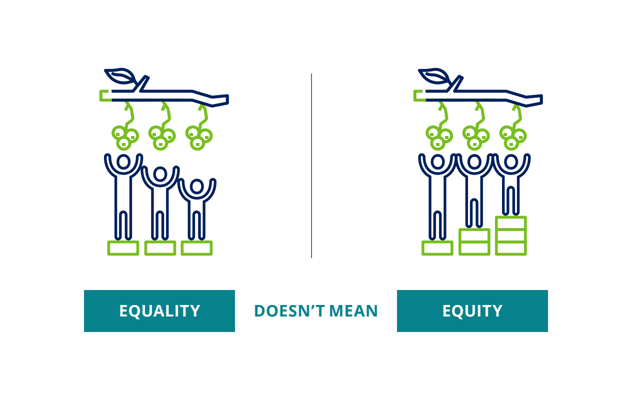
The objectives themselves have evolved from an initial focus on gender diversity, where we have made significant progress, to a strategy around inclusion in its broadest sense. As evidenced elsewhere in the report, we have:

- further formalised our regional listening forums, including the sessions run by the non-executive directors;
- tracked the differences by gender in the Great Place to Work Survey and explored possible reasons for the differences with groups of female colleagues;
- held specific listening sessions between the CEO and groups of females and ethnically diverse colleagues; and
- rolled out the Reverse Mentoring initiative for the Leadership Team.

The drivers for investing in a diverse workforce at Bunzl

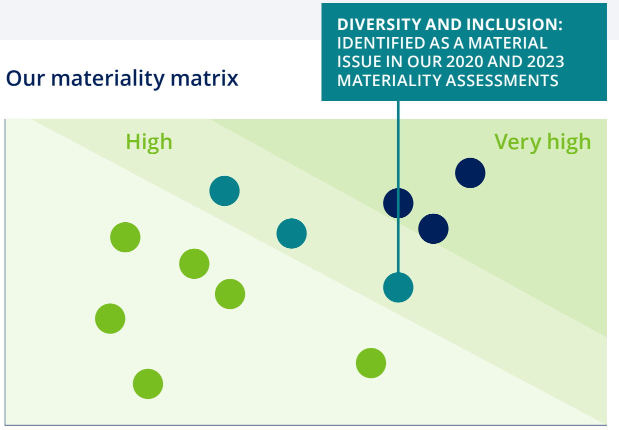
1

It is a critical component of our employment brand – a truly equitable and inclusive culture is increasingly becoming a necessity in the workplace.



2

It is also becoming a condition of doing business with our key customers and other stakeholders.



3

We need to open up the talent pool in order to attract, recruit and build the capabilities we need for the future.

// SUSTAINABILITY *continued*

Progress in diversity, equity and inclusion

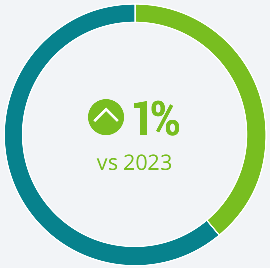
OUR COMMITMENT

Continue to closely monitor the representation of women in senior roles (Board and Executive Committee) and endeavour to improve the number of women at the levels below the leadership team.

We will ensure that Bunzl has an inclusive culture where everyone, irrespective of background, can thrive and build their careers.

GENDER DIVERSITY

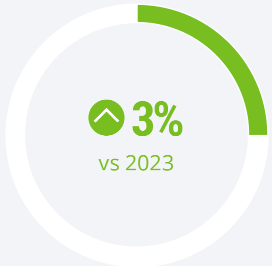
39%[1] 61%[1]



1. Gender diversity at Group-level

WOMEN IN LEADERSHIP

25%[2]



2. Senior leadership group defined as the c.530 leaders that receive share awards as part of their remuneration

TOTAL WORKFORCE AGE PROFILE

Under 30	19%	↑ 1% vs 2023
30–39	25%	↑ 1% vs 2023
40–54	36%	↓ 1% vs 2023
Over 55	20%	↓ 1% vs 2023

ACTIONS TO DRIVE SUCCESS IN 2025

GENDER DIVERSITY

Continue to maintain a representation of females in leadership roles of at least 20% and aim to make year-on-year improvement to the underlying percentage by:

- continue with our current development, mentoring and sponsorship activities to prepare female colleagues for leadership roles. Ensure that all high-potential females have a development plan in place;
- continuing to use the insights from the Great Place to Work survey to create meaningful action plans to improve female employee engagement;
- continuing our work to expand the 'Inspiring Women in Bunzl' networks and other regional and local female-focused resource groups; and
- developing of our Group employer brand to articulate how it feels to work for Bunzl.

MINORITY GROUP PARTICIPATION

Continue to identify opportunities at a regional and local level to improve our employer value proposition and reputation as an inclusive employer by:

- continuing to build on the regional listening groups to ensure that under-represented voices continue to be heard;
- supporting the expansion of the reverse mentoring programme;
- continue to use the insights from the Great Place to Work survey to create meaningful action plans to improve employee engagement for under-represented groups; and
- continue to ensure that we continue to have at least one Director from a minority ethnic background on the Board.

Great Place to Work survey (Justice section)

Our recent Great Place to Work results demonstrated that our businesses are making good progress and those surveyed felt the people in their respective businesses are treated fairly regardless of their differences.

Positive responses from the survey population

81%

People here are treated fairly regardless of their age

90%

People here are treated fairly regardless of their race

88%

People here are treated fairly regardless of their gender

91%

People here are treated fairly regardless of their sexual orientation

Employee Resource Groups

Over the past year, our businesses have continued to introduce and run a number of initiatives designed to enhance diversity, equity and inclusion within the workplace. Employee Resource Groups ('ERGs') have proven to be particularly successful initiatives across our decentralised structure and have helped to foster a sense of belonging, enhanced employee engagement and promoted cultural awareness across our business areas.

In Latin America, one of the most impactful initiatives in their strategy is the Empowering Women in Leadership Programme which was developed in 2021 in partnership with the Pontifical Catholic University of Chile. This programme represented a milestone in the business area's commitment to female empowerment, offering practical tools for personal development and preparing women to take on leadership roles in the future. Since 2021, approximately 170 women from Latin America have participated in the programme and the results are notable, with 28% of the programme participants being promoted to senior positions across the region.

The Inspiring Ethnicity in Bunzl ('IEIB') programme, initially created in the UK & Ireland, was officially launched in North America in 2024 with the mission of fostering networking, professional development, and mentoring opportunities for employees from diverse ethnic groups. IEIB is open to employees of any race or ethnicity. The first initiative was a Financial Awareness campaign. Topics included were 'Money Matters to Me', 'Keys to Managing Credit' and 'Medical Benefits 101'. These topics of discussion were rolled out successfully to four pilot locations and involved c.400 employees. The second ERG launched in 2024 was Inspiring the Next Generation in Bunzl ('INGIB'). Its primary aim is to 'foster meaningful connections and ignite development for next generation professionals.' In a short space of time the programme has attracted c.200 members and hosts quarterly virtual events on a variety of topics. Both ERG's look forward to continuing growth and development in 2025.

In Australia, we have continued to develop our First Nations programme by implementing our accredited Reconciliation Action Plan ('RAP') across the business, reaffirming our commitment to building partnerships with First Nations communities and businesses. In 2024, we appointed a First Nations adviser to build upon our initial engagement with these partners. The business area ran several engagement events to celebrate diversity and individualism, and to support our goal of being a diverse and inclusive workplace. These actions have increased our employees' understanding of First Nations culture and strengthened procurement partnerships with First Nations-owned businesses, enhancing our ability to respond to tenders with genuine examples of support.

Our Inspiring Women in Bunzl ('IWIB') programmes have continued to meet and drive progress, contributing to our achievement of 25% women in senior leadership positions. This represents an 11% Group-wide increase since the launch of our first IWIB programme in the UK & Ireland in 2019. Elsewhere in the Group, Bunzl Ireland have achieved a Silver award in the Irish Centre for Diversity's corporate accreditation scheme and a number of our businesses in France, Germany and Spain have signed the European Diversity Charter to promote diversity and inclusion in the workplace and report on the measures they have implemented.

// Fostering diversity and inclusion is not just a moral imperative but a strategic business advantage. Companies that invest in creating inclusive environments will be better positioned to navigate the complexities of the modern world, drive sustainable growth, and contribute positively to society. I've been pleased to help lead our Inspiring Women in Bunzl programme in North America and I am delighted that the initiative has delivered tangible results."

BETH DAHLKE
Division President Safety, Bunzl North America

OUR CUSTOMERS

Our material ESG themes

- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

By providing our customers with a broad range of essential items, readily available from stock, alongside specialist knowledge and expertise, we provide the reassurance our customers need for essential items, which allows them to focus on their core businesses. We have more than 6,500 expert sales people and locally based customer service specialists who use their deep and detailed knowledge to work with customers to ensure that they receive the best possible advice on all product and service-related matters.

These teams are supported by local and regional sustainability specialists across the Group who possess a deep understanding of our products, customer sectors, operations and their challenges. They drive the integration of our sustainability value proposition with customers; providing customer-specific data, advice and regular updates on new legislation and trends, often through proprietary in-house tools (see pages 58 and 59 for examples). This means, in a world where new sustainability reporting and legislation requirements are increasing, our teams give significant value to customers by providing the data and expertise they need to make informed decisions and communicate their progress accurately and effectively.

This technical expertise, coupled with our sourcing proficiency, means we are uniquely positioned to supply the products and solutions our customers need to meet their targets, reduce carbon emissions, comply with legislation and improve their overall sustainability credentials. With customers facing the dual challenge of stricter packaging restrictions and cost pressures, our extensive (and increased) ranges of own brand packaging solutions help them transition to alternative materials at competitive prices while not compromising on product quality or sustainability credentials.

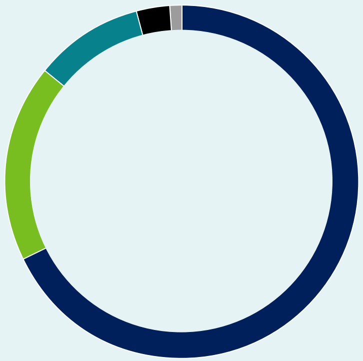
Providing tailored solutions

As the world grapples with pressing environmental challenges, the concept of a circular economy has emerged as a practical solution, offering a sustainable alternative to the traditional linear model. Current trends we see across our customers in the grocery, retail and foodservice sectors indicate a growing emphasis on reducing waste, recycling and reusing materials and extending product lifecycles. However, according to the Circularity Gap Report 2024, global circularity decreased from 9.1% in 2018 to 7.2% in 2023, highlighting the urgent and continued need for action[1].

Legislation is also pivotal in supporting the circular economy. Policies like the EU's upcoming Green Claims directive and Packaging Waste Regulations are steps in the right direction, but more comprehensive measures are needed globally, coupled with improved infrastructure. To achieve faster and more significant progress, an integrated strategy for collection and recycling across cities, regions and countries is essential and advanced technologies such as chemical recycling should also be adopted to boost the amount of recycled materials available.

We have an important role in providing the tailored solutions that respond to these trends and continue to enable customers to transition to products and solutions that support a low carbon and more circular economy. This unique ability represents both a competitive advantage and growth opportunity for Bunzl.

Only 1% of revenue generated from consumables facing regulation



Non-packaging products
£7.8bn (68%*)

Packaging with an important purpose
£0.4bn (3%*)

Packaging and products made from alternative materials
£2.0bn (18%*)

Consumables facing regulation
£0.1bn (1%*)

Consumables likely to transition
£1.1bn (10%*)

* These figures do not include revenues from 2024 acquisitions (see Note 9 to the consolidated financial statements on page 159).

Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure. We continue to exercise judgement to allocate the sales in 2024 to non-packaging products and the four packaging categories shown, which are taken at a point in time in the context of rapidly changing legislation and changes in products. Consumer demand for packaging and products made from alternative materials continues to drive our commitment to lead the transition to products and solutions that support a low carbon and more circular economy. More information on our packaging categories, and limitations with respect to the product data and related disclosures, are set out in the ESG Appendix on page 205.

1. https://www.greenmatch.co.uk/environmental-impact-of-a-circular-economy

// SUSTAINABILITY *continued*

In 2024, our businesses continued to help transition customers to packaging products made from alternative materials, and these solutions now account for 56% of total packaging sales across the Group. The Group continues to have very limited exposure (1%) to single-use plastic consumables facing regulation where some volume reduction is expected and the proportion of total Group revenue attributable to non-packaging products or packaging made from alternative materials is high at 86%[1].

Our teams have continued to present our sustainability value proposition to our customers in 2024, providing support with data collection projects, giving updates on new legislation and recommending and supplying new solutions. A combination of one-to-one meetings, in-person seminars and online webinars have been used.

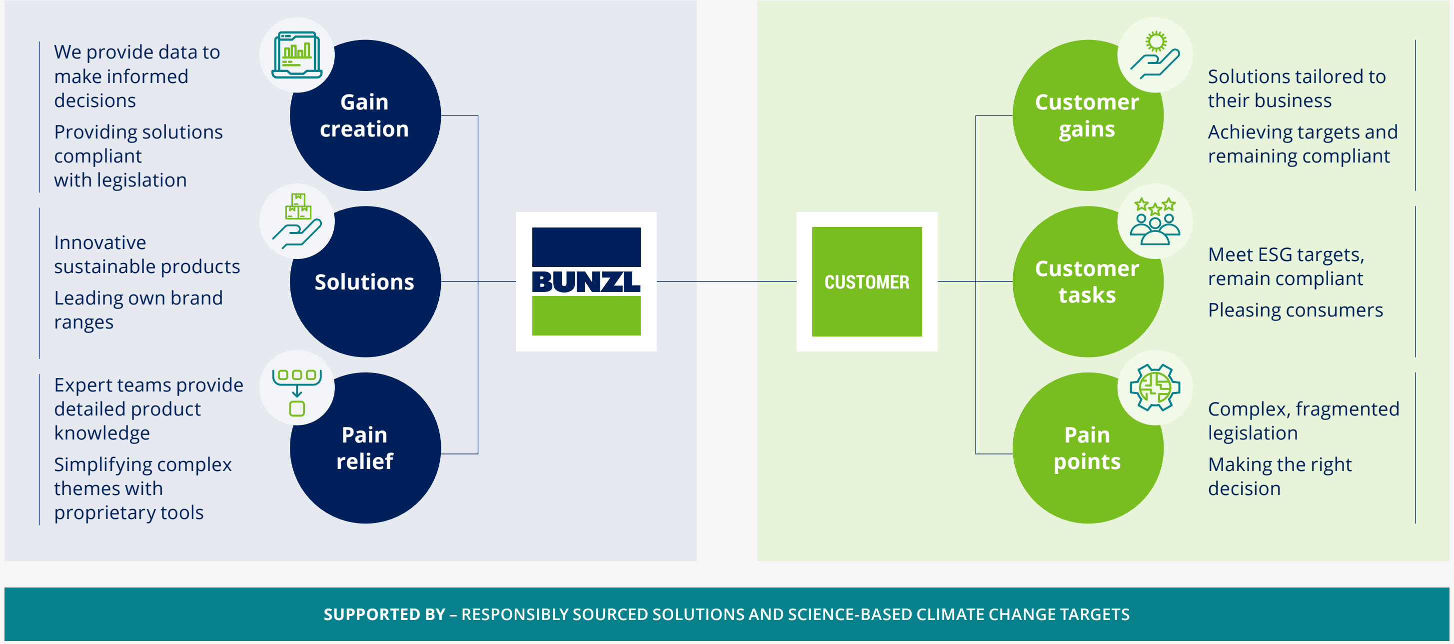
Our sustainability value proposition is rooted in data, starting with our comprehensive understanding of our products, customer sectors, operations and their regional challenges. We provide access to detailed packaging data (material type, weight, composition, certifications and carbon footprint) and information our customers need to track progress against and report effectively on their targets.

Our expert sustainability teams then provide customer-specific advice and regular updates on new legislation and trends. They use proprietary in-house tools to present packaging data and carbon emission reports to customers and provide customer-specific advice and regular updates on legislation and trends.

Finally, unlike a consultancy service we are uniquely positioned to then supply the solutions our customers need to meet their targets, comply with legislation and improve their sustainability credentials. Our emerging own brand packaging ranges promote faster, more affordable transition to alternative materials (see page 27) and we use our unique position in the supply chain to source alternative products for our customers that comply with new legislation.

In addition, Bunzl customers benefit from responsibly sourced products that safeguard against reputational risks and science-based climate change targets aimed at reducing carbon emissions in their value chain. In 2025, we will continue to take our value proposition to both new and existing customers and drive more of the benefits our engagement has brought this year.

Our sustainability value proposition



1. Excluding revenue from acquisitions.

CASE STUDY

OUR SUSTAINABILITY VALUE PROPOSITION IN ACTION

Bunzl has secured a far-reaching new agreement with Aramark, the multinational foodservice and facilities management company providing services to clients across education, defence, healthcare, business, and leisure. The contract also supports Avendra International, Aramark's wholly-owned business specialising in supply chain and group purchasing for third party clients in hospitality and other related sectors.

Bunzl will supply multiple Aramark and Avendra International locations across UK & Ireland and Continental Europe with a wide range of items including disposables, cleaning & hygiene materials, tableware and foodservice products.

This new contract was secured as part of a new initiative whereby much of the negotiation and administration was undertaken at a centralised European level, with the local knowledge and expertise of individual Bunzl businesses used for fulfilment and distribution.

Aramark and Avendra International have enjoyed a strong partnership with Bunzl in the past and are delighted to have signed this expanded agreement. The deal aligns closely with their objective of leveraging central efficiencies and scale, while delivering local value and expertise to their clients, alongside a commitment to sustainable sourcing. The process was regularly supported by our sustainability experts who held a number of meetings with the Aramark team covering our sustainability value proposition along with deep dive sessions on specific topics like responsible sourcing and net zero.

//

Bunzl's approach to all sustainability-related topics is both robust and thorough. On numerous occasions, we've had the pleasure of connecting with passionate and knowledgeable sustainability experts and leaders within Bunzl's business to better understand their current position and future strategy. In turn, this helps us identify how our business can leverage this expertise to support our own sustainability strategy, goals and targets.

We look forward to continuing our partnership with Bunzl; a supply partner who is committed to sharing ideas and implementing strategies centred around sustainability. Through our continued collaboration with Bunzl on various sustainability topics, we confidently offer our clients solutions that add value to their operations and support diverse sustainability requirements, aligned with Aramark's 'Be Well. Do Well.' platform, promoting the well-being of people and the planet."

DUNCAN BENNETT
Vice President Global Supply Chain, Aramark & Avendra International

// SUSTAINABILITY *continued*

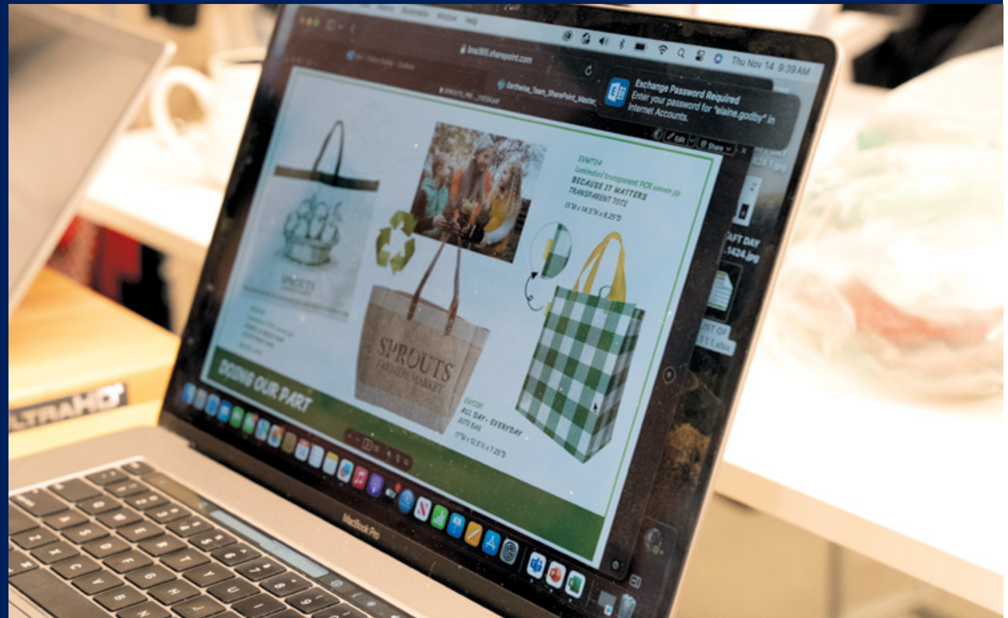
CASE STUDY

AWARD WINNING SUSTAINABLE PACKAGING

Bunzl Safety and Lifting won an Australian PIDA (Packaging Innovation Design Award) for Sustainable Packaging. The award is designed to recognise companies that have developed innovative packaging solutions that incorporate sustainability solutions. Key improvements included reducing the size of swing tags, replacing unrecoverable plastic garment bags with cardboard pack bands, switching from solvent-based inks on cartons to less toxic water-soluble ink, and replacing plastic swing ties with cotton cords.

These efforts, which spanned over 2,000 SKUs and covers the entire workwear range, are expected to divert more than two tonnes of plastic from landfill annually.

PIDA
AUSTRALASIAN PACKAGING INNOVATION & DESIGN AWARDS 2024
SUSTAINABLE PACKAGING
PLASTIC TO FIBRE TRANSITION
GOLD WINNER



CASE STUDIES

DATA

In Finland, one of our recent acquisitions, Pamark, has developed a strategic partnership with their product suppliers to build a database and platform called 'Greenline' that is used with customers to help them understand the environmental and societal impacts of the products they buy. Funded by our product suppliers (Greenline Partners), the platform now has carbon emissions information for c.17,000 products and has proven to be a useful source of competitive advantage and a useful tool for customer acquisition and retention.

Our customer, SSP UK & Ireland, create and run food and drink outlets in travel locations. As part of their sustainability journey, they are working to remove virgin plastic from their business. Where it is particularly difficult to remove plastic, they are focusing their efforts on shifting the mix away from virgin polymers and towards recycled plastic. A critical enabler of this was to gain better visibility of their virgin plastic consumption. Bunzl Catering Supplies ('BCS'), in the UK & Ireland, conducted a detailed assessment of SSP's plastic footprint. Using these insights, SSP are now trialling swaps for the biggest virgin plastic drivers with BCS, for example refuse sacks with a higher percentage of recycled content.

// SUSTAINABILITY *continued*

CASE STUDIES

KNOWLEDGE

In North America, Bunzl helps customers meet their own sustainability goals through its internal 'Blue Key' sustainability consultancy offering. In 2024, Blue Key advisers worked with a large restaurant group with over 6,500 stores to provide detailed information and guidance on the legislation they face across the country. With a fragmented and complex legislative environment in the USA, the database Blue Key advisers created for the customer was well received and given the lack of internal sustainability resources in the customer's business, was cited as playing a key role in the retention of their contract.

Bunzl Retail Supplies ('BRS') in the UK offers a Sustainability Consultancy service, helping retailers navigate an evolving and complex legislative landscape. During 2024, 50 high volume product lines for a leading grocery retailer were mapped using external Life Cycle Assessment ('LCA') software to help calculate scope 3 carbon emissions. With support delivered to six major grocery retailers, the Sustainability Consultancy service enables BRS to invest in the technical development process for new innovative products.

CASE STUDIES

SOLUTIONS

As part of a new five-year pallet wrap supply contract worth AUD 800,000, Bunzl Australia New Zealand also supplied 70 new Advantage pallet wrap machines, valued at over AUD 1.5 million. The customer's decision to enter into a new contract and invest in new machinery was not only driven by enhanced load containment but also by significant waste reduction and cost savings. By transitioning to a higher quality, thinner pallet wrap, the customer achieved annual cost savings of 50% and reduced plastic waste by c.200 tonnes.

Bunzl Distribution Denmark formed a team of sustainability and food packaging specialists to successfully attract two international customers who supply food worldwide with total revenues reaching over €3 million in 2024. The team has worked with the fresh produce and seafood wholesalers to help them achieve their sustainability goals by transitioning their packaging products to materials well suited to the household recycling infrastructure in Scandinavia. The team has worked to consolidate multiple packaging suppliers into one and switched non-recyclable products to solutions well suited to the circular economy, for example recyclable PET trays and mono material lidding films.

// SUSTAINABILITY *continued*

GOVERNANCE

We have a well-established governance structure to oversee the execution of our sustainability strategy and activities across the Bunzl Group.

Now in its third year, our Board Sustainability Committee ('BSC') provides strategic oversight of our sustainability opportunities and risks and continues to further the Board's knowledge in this important area for Bunzl. During 2024, the BSC met three times and in addition to assessing the progress made against our annual sustainability KPIs at every meeting, also reviewed our key projects from the last 12 to 18 months. Our double materiality assessment process, net zero transition plan, supplier engagement on climate change and customer value proposition were all discussed in detail and we will continue to bring updates on key projects, trends and legislation to the BSC in 2025.

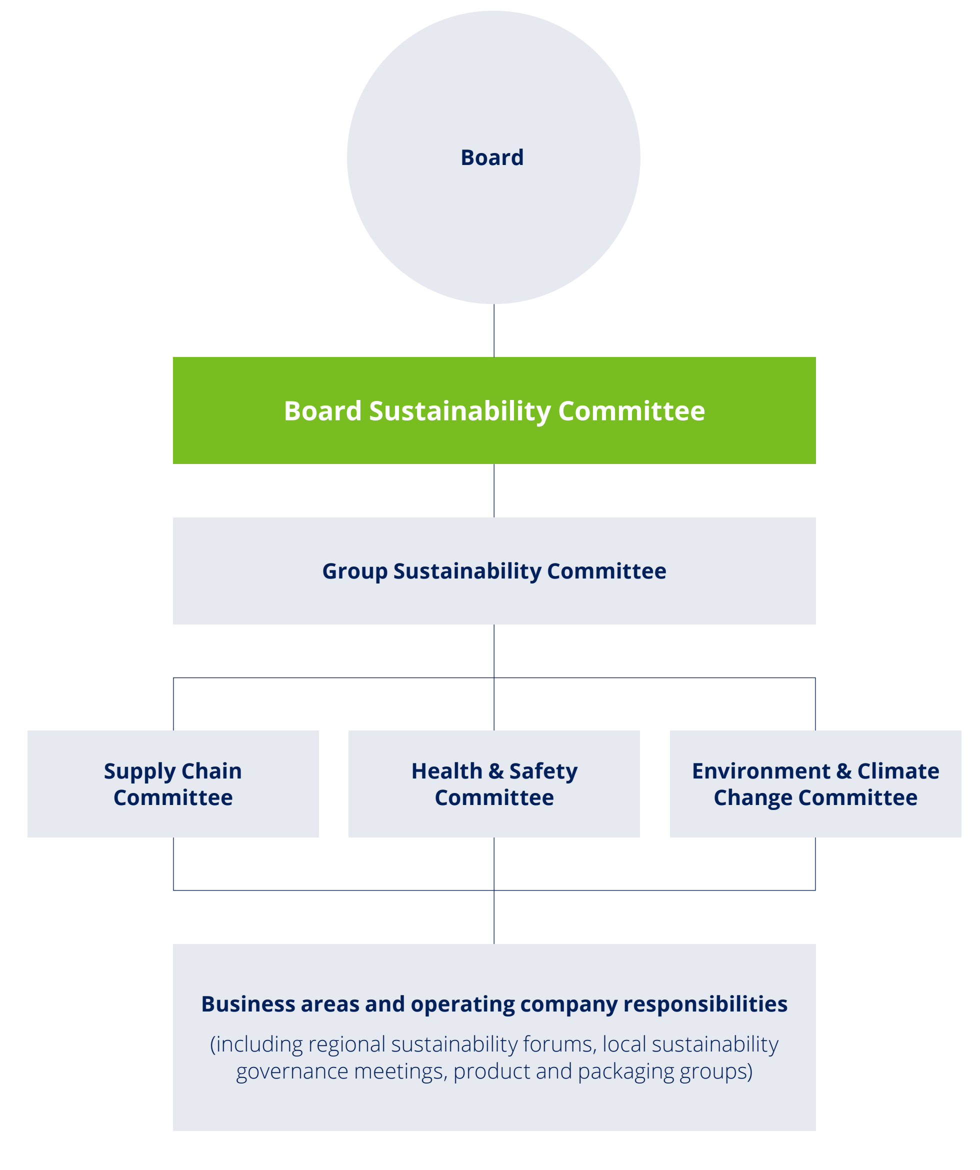
Our Group Sustainability Committee is a cross-functional leadership body that engages the senior management teams across our business areas, offering oversight and strategic direction for our sustainability programme. Chaired by our CEO and attended by members of our Executive team, the Committee meets quarterly to ensure Bunzl has an ambitious and effectively governed sustainability strategy. It sets targets, monitors progress, and supports the work of our business area sustainability teams. In 2024, the Group Sustainability Committee reviewed the progress made against our sustainability targets, key projects and the details relating to new reporting legislation, for example, the EU Corporate Sustainability Reporting Directive.

The Supply Chain Committee is responsible for developing processes and procedures to identify opportunities and mitigate risks within our global supply chains, ensuring regulatory compliance as a minimum. In 2024, the Committee reviewed our new supply chain risk assessment work and the progress of our ethical auditing and supplier engagement programmes.

The Health & Safety Committee is tasked with evaluating the key health and safety risks across Bunzl. They develop, review, and monitor appropriate policies, standards, and regulations related to health and safety management across the Group. In 2024, the Committee reviewed and updated the Group Health & Safety standards and safety audit programme and continued to focus on the roll out of a leading safety indicator programme.

Our Environment & Climate Change Committee governs the progress of our regional carbon roadmaps. The Committee meets four times a year and includes representation from all business areas. In 2024, the Environment & Climate Change Committee assessed performance against our environmental objectives and tracked the progress of initiatives aimed at reducing scope 1 and 2 emissions across the Group, such as renewable energy procurement, alternative fuels, and the transition of commercial vehicles.

OUR SUSTAINABILITY GOVERNANCE STRUCTURE



// TCFD

TCFD INDEX

The Taskforce on Climate-related Financial Disclosures ('TCFD') has developed a climate-related financial risk disclosure framework for companies to provide information to investors, lenders, insurers and other stakeholders.

Our climate-related disclosures are consistent with the TCFD recommendations and recommended disclosures as set out in the TCFD framework published in June 2017 and the updated 'Annex' published in 2021. The index table to the right provides a reference to where these disclosures can be found throughout our Annual Report.

Topic	Disclosure summary	Disclosure	Bunzl response
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	Sustainability report: page 60 Governance report: pages 85–88, 89, 91, 94, 112–113
		b) Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability report: page 60 ESG appendix: page 206–207 Governance report: pages 85–89, 91, 94, 112– 113
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	Sustainability report: page 49–50 ESG appendix: page 206–207
		b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Sustainability report: page 49–50 ESG appendix: page 206–207
		c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios including a 2°C or lower temperature scenario.	Sustainability report: page 49–50 ESG appendix: page 206–207
Risk management	Disclose how the organisation identifies, assesses and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks.	Sustainability report: page 49–50 Principal risks: pages 66–68, 74
		b) Describe the organisation's processes for managing climate-related risks.	Sustainability report: page 49–50 Principal risks: pages 66–68, 74
		c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Sustainability report: page 49–50 Principal risks: pages 66–68, 74
Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability report: pages 45–51 Key Performance indicators: page 37 Sustainability report: pages 208–209
		b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas ('GHG') emissions and the related risks.	Sustainability report: pages 45–51 Key Performance indicators: page 37 Sustainability report: pages 208–209
		c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Sustainability report: pages 45–51 Key Performance indicators: page 37 Sustainability report: pages 208–209

// SECTION 172 STATEMENT

CONSIDERING THE INTERESTS OF ALL OUR STAKEHOLDERS TO CREATE SUSTAINABLE VALUE

Regular engagement with our stakeholders is vital for achieving sustainable long term success.

We value open, honest, and continuous communication to ensure our business decisions reflect and benefit all of our stakeholders.

Maintaining two-way relationships with our key stakeholder groups, which are identified on pages 63 to 65, enables us to understand their views and objectives. With this understanding, the Board is able to factor the potential impact of decisions on each stakeholder group into the Company's strategic decision making and consider their needs and interests in line with section 172 of the Companies Act 2006.

Engagement with stakeholders takes place through a range of mechanisms, key examples of which are set out on the following pages.

These mechanisms are kept under review and the Board is satisfied that they remained effective throughout 2024.

Engagement is carried out primarily at operational level and is reported to the Board by senior management on a regular basis. Direct engagement by the Board takes place when appropriate and on pertinent matters.

When considering stakeholders in its deliberations, there are occasions when the Board must weigh the competing interests of certain stakeholder groups against each other. In such cases, the Board always seeks to ensure that those impacted are treated fairly.

SECTION 172

The Board of directors of Bunzl plc promotes the success of the Company for the benefit of its members as a whole, having sufficient regard to:

The likely consequences of any decision in the long term

- Acquisitions: page 1
- Company purpose: page 26
- Our business model: pages 22 to 23
- Our strategy: page 26
- Shareholder returns: page 2
- Capital allocation: pages 24 to 25

The impact of the Company's operations on the community and the environment

- Carbon emissions: pages 208 to 209
- Community investment: page 212
- Non-financial and sustainability information statement: page 83
- Sustainability: pages 38 to 60
- TCFD disclosures: page 61

The interests of the Company's employees

- Diversity, equity and inclusion: pages 52 to 54
- Employment policies: page 138
- Employee engagement statement: page 95
- Our people: pages 31 to 35

The Company maintaining a reputation for high standards of business conduct

- Audit Committee report: pages 102 to 111
- Culture and values: page 94
- Independent auditors' report: pages 189 to 194
- Non-financial and sustainability information statement: page 83
- Whistleblowing: page 210
- Fraud policy: page 83

The need to foster the Company's business relationships with suppliers, customers and others

See our 'Policy hub' at www.bunzl.com to access:

- Bunzl Anti-Bribery and Corruption Policy
- Business Code of Conduct Policy
- Bunzl Ethical Sourcing Policy
- Modern Slavery Statement
- Supplier Code of Conduct

The need to act fairly as between members of the Company

- Shareholder engagement: page 96
- The Company's Annual General Meeting ('AGM'): page 137
- Investor roadshows: page 64
- Capital markets day: page 38

// SECTION 172 STATEMENT *continued*

CUSTOMERS

Relevance to strategy

Customers are central to Bunzl's purpose of providing essential business solutions around the world, and Bunzl's strategy is established to achieve this purpose while creating long term value for the benefit of stakeholders as a whole. A key tenet of our strategy is organic growth; expanding by developing our business with current customers and gaining new business with additional customers.

Concerns and interests

- Customised digital solutions
- Sustainable product expertise, support and sourcing
- Transitioning products to alternative materials
- Innovative product solutions
- Competitive prices
- On-time and in-full delivery
- Access to customer service and sales
- Enhanced operational efficiency

How we engage

Our customer relationships are akin to partnerships. We maintain frequent two-way dialogue with customers to enhance our understanding of their business needs and ambitions, which enables us to provide them with a truly tailored service. By running dedicated innovation sessions with large customers, proactively seeking feedback and having discussions about customer insights at Board level, we are able to place the needs of customers at the heart of our business and adapt our strategy accordingly.

Outcomes of engagement

Engagement in 2024 has highlighted sustainability as a continuing area of importance to our customers. In response to this, we are continually developing our sustainability offering and our engagement mechanisms with customers to ensure that our sustainability solutions are tailored to their needs. This focus has also informed the Board's sustainability agenda in relation to acquisitions and market expansion, which are outlined on page 26.

75%
of customer orders processed digitally

c.28%
own brand penetration

EMPLOYEES

Relevance to strategy

Bunzl has c.27,000 employees worldwide. Bunzl's employees represent our biggest opportunity and are the focus of the business. Recruiting, retaining and developing the best talent is key to Bunzl's strategy as it shapes our culture and ensures that every person pulls in the same direction to achieve Bunzl's purpose.

Concerns and interests

- Fair remuneration
- Sharing in the Company's success
- Fair policies and practices
- Talent development and career progression
- A safe and inclusive working environment
- Good communications
- Having a positive impact on the community and the environment

How we engage

The Board carried out direct engagement with employees during 2024 through site visits, meetings with young talent groups and CEO and non-executive director listening sessions. In addition, indirect engagement took place through regular team briefings and Board consideration of our 2024 Great Place to Work survey.

Outcomes of engagement

See the employee engagement statement on page 95 for the Company's responses to engagement with employees during the year. The outcome of Bunzl's 2024 Great Place to Work survey is detailed on pages 32 and 33.

c.27,000
employees

71%
trust index score in our Great Place to Work survey

// SECTION 172 STATEMENT *continued*

SHAREHOLDERS

Relevance to strategy

Maintaining shareholder support by building meaningful relationships is key to Bunzl's strategy, as our shareholders influence the long term direction and governance framework of the Company. Frequent dialogue keeps the Company informed as to the concerns and interests of our investors and allows the Company to respond, grow and perform better.

Concerns and interests

- Financial performance
- Shareholder returns
- Capital allocation
- Resilience
- Environmental, social and governance matters
- Executive remuneration
- Strategic priorities
- Leadership and succession planning

How we engage

Committee Chairs proactively seek engagement with major shareholders on pertinent matters within their areas of responsibility and major shareholders are routinely invited to meet with the Chairman. To read more about direct engagement between the Board and shareholders see page 96. Bunzl engages in dialogue with major shareholders throughout the year at regular meetings and investor roadshows, the outcomes of which are reported to the Board. More broadly, Bunzl updates shareholders on trading performance six times a year and encourages attendance at the AGM.

Outcomes of engagement

The outcomes of our shareholder engagement throughout 2024 were positive, with no specific matters of concern being raised. The Board ensures there are mechanisms in place to facilitate shareholder engagement and the Company held 196 meetings with investors in 2024. Additional information on the topics discussed during our shareholder engagement can be found on page 96.

196
meetings with investors

32 years
of consecutive annual dividend growth

SUPPLIERS

Relevance to strategy

Building strong and trusted partnerships with suppliers is fundamental to our business model. Our suppliers are our partners, and collaboration enables Bunzl to maintain resilient supply chains, drive ambitious business solutions and provide customers with access to products that meet their individual needs, with the reassurance that they have been ethically sourced.

Concerns and interests

- Ethical supply chains
- Reliable partnerships
- On-time payment
- Mutual trust
- Improving environmental impacts

How we engage

Engagement with suppliers takes place primarily at operational level, with management providing frequent updates on our supplier engagement programme to the Board Sustainability Committee, which subsequently reports to the Board. One area of continued focus in 2024 was engaging suppliers on the requirement to set science-based emissions targets by 2027. In addition, we operate a rigorous supplier onboarding and audit operation in line with Bunzl's Supplier Code of Conduct and compliance with this is monitored by our Global Supply Chain Solutions and Business Area teams. For more information on our responsible sourcing process, see page 43.

Outcomes of engagement

We continue to work with our suppliers to achieve our scope 3 emissions target and 33% of our suppliers* by emissions currently have science-based targets in place, aligned to the Science-Based Targets Initiative ('SBTi'). To read about our work to build a low carbon supplier network, see page 45. Further outcomes of engagement with Bunzl's suppliers and the results of supplier audits undertaken during the year can be found on page 43.

1,175
suppliers were assessed in 2024

33%
of suppliers* by emissions currently have science-based targets in place

* Suppliers that are covered by our scope 3 supplier engagement target.

// SECTION 172 STATEMENT *continued*

ENVIRONMENT AND COMMUNITY

Relevance to strategy

Sustainability is core to Bunzl's strategy and long term success. Our culture of continuous improvement drives the determination to set and meet ambitious climate-related targets. Bunzl's decentralised business relies on local suppliers, recruiting local talent and championing local businesses. Giving back to the community is core to Bunzl's values and the Company participated in a range of community initiatives throughout the year.

Concerns and interests

- Ambitious climate targets
- Science-backed commitments
- Clear roadmap to net zero
- Ethical supply chains
- Local support
- Community investment
- Cost of living crisis
- Inclusive working practices
- Employing local talent
- Sourcing local products

How we engage

Supported by the Board Sustainability Committee, the Board defines the Company's sustainability strategy and oversees its implementation by way of updates from management. The Company maintains dialogue with environmental agencies and educates customers, employees and suppliers on sustainable practices in line with best practice and local laws. To benefit the wider community, Bunzl supports the communities where our employees live and work and encourages fundraising activities which are championed by our businesses and their employees locally.

Outcomes of engagement

During 2024, we made strong progress in mapping our material ESG themes to our value chain. To read more, see our material issues overview on pages 39 to 40. To support our community, we worked with long-standing charity partners on environmental projects and Bunzl donated a total of c.£1.1 million to charitable causes during 2024. More information detailing our charitable contributions and initiatives during the year can be found on page 212.

26%

more carbon efficient since 2019

c.£1.1 million

donated to charitable causes during 2024

// PRINCIPAL RISKS AND UNCERTAINTIES

A ROBUST APPROACH TO RISK MANAGEMENT

Bunzl operates in six core market sectors in 32 countries which exposes it to risks and uncertainties. The Group sees the management of risk, both positive and negative, as critical to achieving its strategic objectives.

RISK ASSESSMENT

1 RISK IDENTIFICATION

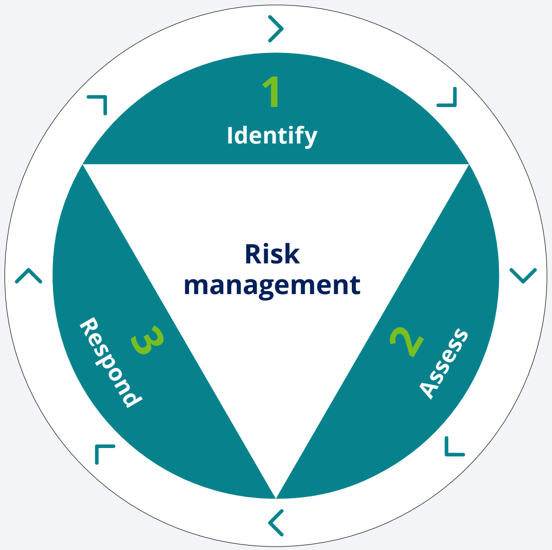
- The businesses, business area, the Executive Committee and the Board consider, identify and document risks in a consistent way within the categories of strategic, operational and financial risks.
- This includes current risks as well as emerging risks which also need to be assessed and carefully monitored.

2 INHERENT RISK ASSESSMENT

- The inherent impact and probability of risks are evaluated before considering the effect of any mitigating activities:
  - impact is assessed based on a defined range of business continuity, health & safety, environmental, regulatory, reputational and financial criteria; and
  - probability is assessed as remote, unlikely, possible or probable.

3 RISK RESPONSE AND RESIDUAL RISK ASSESSMENT

- The relevant mitigating activities and controls are evaluated for each risk.
- The residual risk is assessed assuming that the mitigating actions and internal controls operate as intended in an effective way.
- If necessary, to bring the residual risk within Bunzl's risk appetite, enhancements to risk mitigation activities and controls are considered until the residual risk is reduced to an acceptable level.



Risk management process

To deliver the Group's strategic objectives successfully, and provide value for shareholders and other stakeholders, it is critical that Bunzl maintains an effective process for the management of risk. The Company has a risk management policy which ensures that a consistent process is followed by every business and business area as well as the Executive Committee and ultimately the Board, firstly to assess and then subsequently to manage both current and emerging risks. These interrelated aspects of the Group's risk management policy are explained below*. Additional details are also provided on the key risk management activities undertaken during 2024.

RISK MANAGEMENT

The Board

Establishes the nature and extent of risk the Group is willing to accept (its 'risk appetite') in pursuit of Bunzl's strategic objectives. Bunzl's risk appetite is the degree to which the Group is prepared to accept risk in pursuit of its objectives. The appetite for risk varies depending on the category of risk being considered (business continuity, health & safety, environment, regulatory, reputation and financial) and is not constant. It varies depending on external factors (such as economic conditions or other changes in circumstances beyond Bunzl's control) as well as internal factors (such as resource constraints or any changes in priorities or strategic direction). When making decisions, including approving or establishing policies, the Board is effectively considering whether the Group is taking too much risk or insufficient risk as compared to Bunzl's inherent risk appetite.

Performs a robust assessment of the Group's risks through a biannual review of the Group's risk register, focusing on the evolving risk landscape, emerging risks and those risks considered to be significant by management and the Executive Committee.

Continuously monitors and oversees the Group's risk management and internal controls processes and procedures.

The Audit Committee

Reviews the process for the management of risk, including the risk assessment and risk response, and its effectiveness.

Directs and oversees internal audit's activities and reviews the results of assurance over controls and risk mitigation activities.

Executive Committee

Holds regular meetings with business area management to discuss strategic, operational and financial issues and ensures policies and procedures are in place to identify and manage the principal risks affecting each of the Group's businesses. Business area management present risk assessments to the Executive Committee annually, focusing on the key risks in their region, processes they have in place to identify risk and any areas of heightened concern or any emerging risks for the future.

Considers the evolving risk landscape, including reviewing the results of the risk assessment process and assessing the sufficiency of risk mitigation activities for current risks as well as the threats and opportunities from emerging risks.

Business area management

The Group's decentralised management structure allows for the establishment of clear ownership of risk identification and management at the business area level within the framework of Bunzl's risk management policy.

Business management

Businesses, with the support of business area management, implement and monitor the effectiveness of controls, policies and procedures designed to manage risk.

* The 'Risk management and internal control' section of the Corporate governance report on pages 97 to 98 includes further information on the specific procedures designed to identify, manage and mitigate risks which could have a material impact on the Group's business, financial condition or results of operations and for monitoring the Company's risk management and internal control systems.

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks and uncertainties

The Group operates in six core market sectors in 32 countries which exposes it to risks and uncertainties, many of which are not fully within the Group's control. The risks summarised below represent the principal risks and uncertainties faced by the Group, being those which are material to the development, performance, position or future prospects of the Group, and the steps taken to mitigate such risks. However, these risks do not comprise all of the risks that the Group may face and accordingly this summary is not intended to be exhaustive.

In addition, the Group's financial performance is partially dependent on general global economic conditions, the deterioration of which could have an adverse effect on the Group's business and results of operations. Although this is not considered by the Board to be a specific principal risk in its own right, many of the risks referred to below could themselves be impacted by the economic environment prevailing in the Group's markets from time to time.

The risks are presented by category of risk (Strategic, Operational and Financial) and are not presented in order of probability or impact. The relevant component of the Group's strategy that each risk impacts is also noted:

- Organic growth
- Acquisition growth
- Operating model improvements
- Sustainability

Following the half-year risk assessment by the Board, currency translation is no longer considered to be a principal risk. The Group's borrowings are denominated in US dollars, sterling and euros in similar proportions to the relative contribution of each of these currencies to the Group's EBITDA. Therefore, although the majority of the Group's revenue and profits are earned in currencies other than sterling, volatility of the net debt to EBITDA ratio from foreign exchange movements is reduced. In addition, net debt for the purposes of covenant calculations in the Group's financing documents is calculated using average rather than closing exchange rates. Consequently, any significant movement in exchange rates towards the end of an accounting period should not materially affect the ratio of net debt to EBITDA. Both these factors minimise the risk that financial covenants will be breached as a result of foreign currency fluctuations and hence it was appropriate to no longer treat Currency Translation as a principal risk.

Monitoring risks

The Board reviews each risk and assesses the gross impact, applying the hypothetical assumption that there are no mitigating controls in place, the net impact after mitigating controls and the probability to set the Group's mitigation priorities. The register of principal risks and uncertainties was updated following review by the Executive Committee and approval by the Board.

Emerging risks

The Board closely monitors all emerging risks that have the potential to increase in significance and affect the performance of the Group and its ability to meet its strategic objectives. This knowledge-sharing and horizon-scanning seeks to identify potential risks and emerging trends, looking through various risk lenses and over a future time horizon. In addition to the principal risks faced by the Group, there are risks which are more uncertain in nature and difficult to assess or that have the potential to develop and increase in severity over time.

One such risk is geopolitical instability: with operations in 32 countries, the increasing complexity of international relations and economics necessitates that Bunzl regularly reviews and updates its strategy to mitigate potential impact and uncertainty from geopolitical developments. The effects of global conflicts; shifting political ideologies, possibly leading to changes in legislation and regulation; and relations between China and the West are all monitored through Bunzl's emerging risk process and are considered during principal risk assessments to drive any coordinated responses that may be required. Failure to supply and deliver the required volumes could adversely impact revenue, profit, and customer relationships. The Board will continue to monitor this risk and the impact on operations and any other uncertainties that may impact Bunzl's operations.

The directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks			
1. Competitive pressures Revenue and profits are reduced as the Group loses a customer or lowers prices due to competitive pressures **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• The Group operates in highly competitive markets and faces price competition from international, national, regional and local companies in the countries and markets in which it operates. • Unforeseen changes in the competitive landscape could also occur, such as an existing competitor or new market entrant introducing disruptive technologies or changes in routes to market. • Customers, especially large or growing customers, could exert pressure on the Group's selling prices, thereby reducing its margins, switch to a competitor or ultimately choose to deal directly with suppliers. • Any of these competitive pressures could lead to a loss of market share and a reduction in the Group's revenue and profits.	• The Group's geographic and market sector diversification allow it to withstand shifts in demand, while this global scale across many markets also enables the Group to provide the broadest possible range of customer specific solutions to suit their exacting needs. • The Group maintains high service levels and close contact with its customers to ensure that their needs are being met satisfactorily. This includes continuing to invest in e-commerce and digital platforms to further enhance its service offering to customers. • The Group maintains strong relationships with a variety of different suppliers, thereby enabling the Group to offer a broad range of products to its customers, including own brand products, in a consolidated one-stop-shop offering at competitive prices.	• The Group's large sales force connected with customers to help them understand the range of products available to meet their needs. • The Group enhanced its own brand offering, particularly in the US, driving a higher penetration of own brand sales across the Group. • The Group continued to invest in technology to streamline customers' experience. • The Group continued to develop its sustainable product assortment, supported by own brand ranges, and tools to assist customers in meeting their sustainability goals.
2. Financial collapse of either a large customer and/or a significant number of small customers Revenue and profits are reduced as the Group loses customers **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• An unexpected insolvency of either a large customer or a significant number of small customers could lead to a sudden reduction in revenue and profits, including the cost of impairing any irrecoverable receivables balances, as well as operating margin erosion due to under-used capacity. • The Group's revenue and profits may be affected as well as receivables and inventory (if customer specific inventory is held).	• The Group monitors significant developments in relationships with key customers, including credit checks and limits set for each customer. • Delegation of authority limits mean that there is oversight of all material customer contracts at business area and local level.	• In 2024, the Group did not encounter material insolvencies of either a large customer or a significant number of smaller customers. However, this remains a significant risk given the potential for global economic downturn. • In 2024, provisions relating to the Group's credit exposure from customers remained broadly unchanged.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks continued			
3. Product cost deflation Revenue and profits are reduced due to the Group's need to pass on cost price reductions **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• In the event of a reduction in the cost of products bought by the Group, due to suppliers passing on lower commodity prices (such as plastic or paper) or other price reductions, lower trade tariffs and/or foreign currency fluctuations, coupled with actions of competitors or customers, indexed or cost plus contracts may require the Group to pass on such cost reductions to customers, resulting in a reduction in the Group's revenue and profits. • Operating profits may also be lower due to the above factors if operating costs are not reduced commensurate with the reduction in revenue.	• The Group uses its considerable experience in sourcing and selling products to manage prices during periods of deflation in order to minimise the impact on profits. • Focus on the Group's own brand products, together with the reinforcement of the Group's service and product offering to customers, helps to minimise the impact of price deflation. • The Group continually looks at ways to improve productivity and implement other efficiency measures to manage and, where possible, reduce its operating costs.	• In 2024, the Group experienced product cost deflation across North America, Continental Europe and UK & Ireland. There was a small easing of deflation in the second half of the year, driven by Continental Europe and UK & Ireland, although deflation persisted in North America longer than expected. Operating margin in Continental Europe was particularly impacted by product cost deflation, alongside operating cost inflation against a relatively high cost to serve operating model.
4. Cost inflation Profits are reduced due to the Group's inability to pass on product or operating cost increases **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• Significant or unexpected cost increases by suppliers, due to the pass through of higher commodity prices (such as plastic or paper) or other price increases, higher trade tariffs and/or foreign currency fluctuations, could adversely impact profits if the Group is unable to pass on such product cost increases to customers. • Operating profits may also be lower due to the above factors if selling prices are not increased commensurate with the increases in operating costs.	• The Group sources its products from a number of different suppliers based in different countries so that it is not dependent on any one source of supply for any particular product, or overly exposed to a particular country changing trade tariffs, and can purchase products at the most competitive prices. • The majority of the Group's transactions are carried out in the functional currencies of the Group's operations, but for foreign currency transactions some forward purchasing of foreign currencies is used to reduce the impact of short term currency volatility. • The Group will, where possible, pass on price increases from its suppliers to its customers. • The Group continually looks at ways to improve productivity and implement other efficiency measures to manage and, where possible, reduce its operating costs.	• The Group experienced significant product cost inflation in recent years. Selling prices to customers were continually evaluated to ensure that profitability levels were at least maintained. Overall, the Group was very successful in passing on product cost inflation. • The Group's ongoing focus on own brand product development is an important tool for discussions with customers about price increases. • Operating cost inflation was moderate, with wage inflation remaining higher than typical levels in UK & Ireland and Continental Europe, although wage inflation was at more typical levels in North America. Wage inflation in Continental Europe and UK & Ireland is expected to normalise in 2025, although the UK is expected to be impacted by increased National Insurance and National Living Wage costs. • Property cost inflation remains high linked to lease renewals, but fuel and freight inflation was well managed over the year, supported by contract retendering in North America. • Continental Europe was particularly impacted by its relatively high cost to serve operating model, and the business area has an active focus on cost initiatives heading into 2025. • Operating cost efficiency programmes, including warehouse consolidations and relocations, were a partial offset to inflation.

Organic growth · Acquisition growth · Operating model improvements · Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks continued			
5. Inability to make further acquisitions Profit growth is reduced from the Group's inability to acquire new companies **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• Acquisitions are a key component of the Group's growth strategy and one of the key sources of the Group's competitive advantage, having announced 227 acquisitions since 2004. • Insufficient acquisition opportunities, through a lack of availability of suitable companies to acquire or an unwillingness of business owners to sell their companies to Bunzl, could adversely impact future profit growth.	• The Group maintains a large acquisition database which continues to grow with targets identified by managers of current Bunzl businesses, research undertaken by the Group's dedicated and experienced in-house corporate development team and information received from banking and corporate finance contacts. • The Group has a strong track record of successfully making acquisitions. At the same time, the Group maintains a decentralised management structure which facilitates a strong entrepreneurial culture and encourages former owners to remain within the Group after acquisition, which in turn encourages other companies to consider selling to Bunzl.	• The acquisition pipeline is closely monitored with continued research of any available opportunities for investment. • During 2024, the Group's committed acquisition spend was £883 million and the pipeline remains active. • In August 2024 the Group committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027. If at the end of each year, the total committed spend is below £700 million, the Group will return the remainder to shareholders through a capital return in the following year.
6. Unsuccessful acquisition Profits are reduced, including by an impairment charge, due to an unsuccessful acquisition or acquisition integration **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• Inadequate pre-acquisition due diligence related to a target company and its market, or an economic decline shortly after an acquisition, could lead to the Group paying more for a company than its fair value. • Furthermore, the loss of key people or customers, exaggerated by inadequate post-acquisition integration of the business, could in turn result in underperformance of the acquired company compared to pre-acquisition expectations which could lead to lower profits as well as a need to record an impairment charge against any associated intangible assets.	• The Group has established processes and procedures for detailed pre-acquisition due diligence related to acquisition targets and the post-acquisition integration thereof. • The Group's acquisition strategy is to focus on those businesses which operate in sectors where it has or can develop competitive advantage and which have good growth opportunities. • The Group endeavours to maximise the performance of its acquisitions through the recruitment and retention of high quality and appropriately incentivised management combined with effective strategic planning, investment in resources and infrastructure and regular reviews of performance by both business area and Group management.	• The acquisition pipeline is reviewed by the Executive Committee, and for any new significant acquisitions that are proposed, the Board reviews the potential acquisition in detail. • The CEO and CFO review the performance of all acquisitions with business area management teams on a quarterly basis. • Internal Audit reviews acquisitions on average within 18 months of the sale. • The Board reviews performance of recent acquisitions annually. In 2024, the Board reviewed the principal acquisitions made in 2022 and noted that in aggregate they outperformed acquisition case expectations.

Organic growth | Acquisition growth | Operating model improvements | Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks continued			
7. Sustainability driven market changes Revenue and profits are reduced due to the Group's inability to offer sustainable products in response to changes in legislation, consumer preferences or the competitive environment **Risk owner:** CEO and Business Area Heads **Change to risk level:** ➔ **Included in viability statement:** Yes	• New legislation introduced outside Europe and the UK in countries where Bunzl operates mirrors (and in some cases goes further than) the legislation previously introduced in Europe and the UK. The scope of new legislation tends to cover a wider range of products than that previously introduced. Legislation related to packaging still remains extremely fragmented across different regions. • The introduction of Extended Producer Responsibility 'EPR' is a new consideration for the Group and our customers. EPR is being introduced in the UK, EU, Australia, Canada and some US States. EPR is legislation that aims to make all organisations in a value chain responsible for the cost of the collection, management, and recycling of packaging. It applies modulation fees based on packaging recyclability where non-recyclable materials will incur extremely high compliance costs. • Some legislation seeking to restrict the use of plastics has been challenged and overturned in court. However, it can be expected that the legislation will be reintroduced in some form and as such it is not anticipated that there will be a widespread removal of the legislative measures already in place across the Group. • Consumer sentiment and customer targets are likely to lead to a reduction in demand for single-use plastic-based products that the Group sells, while simultaneously increasing demand for renewable, recyclable, or reusable alternatives. • The Group's revenue and profits could be reduced if it is unable to offer packaging and products made from alternative materials that will replace products that cannot be sold due to legislation, or products where demand is lower due to changes in consumer preferences, for example a move to more reusable packaging.	• Bunzl is well-positioned to support its customers with the legislative complexity due to its material agnostic position and network strength allowing it to deliver the right products across large multi-site customer operations. • Bunzl's scale and unique position at the centre of the supply chain, supported by expert sustainability managers, gives the Group an opportunity to provide customers with advice about alternative products which are recyclable, compostable, biodegradable or reusable. • EPR will incentivise customers to specify more recyclable products to avoid high modulation fees. This should further drive transition to alternative products that are well suited to the circular economy. • The Group has access to an extensive supply chain of product and packaging manufacturers who are innovating the range of products they produce to satisfy the increased focus on sustainability. This means the Group can offer the broadest possible range of products whether in response to legislative changes, consumer preference driven changes or a desire to offer market-leading products to the Group's customers. • The Group has access to the proprietary data on the packaging and products our customers need. That coupled with the Group's detailed product knowledge and data on customer product usage, ensures that the Group is well-positioned to be able to support its customers in shaping and achieving their sustainability strategies.	• The majority of the Group's businesses in the retail, foodservice and grocery sectors now employ material footprint tools that explain how legislation will impact the products and packaging a customer uses, while promoting the alternatives we have in our ranges. • There has been a degree of price sensitivity in our customer sectors driven by inflation, and in some cases packaging target dates (e.g. the US Plastics Pact) have been delayed due to the lack of consistent legislation and waste management infrastructure. These trends have the potential to slow transition, but the introduction of new legislation with high compliance costs (e.g. EPR) will likely cause organisations to accelerate their replacement of non-recyclable / less recyclable products. • The Group has continued to strengthen its expert sustainability teams who train customers on incoming legislation, hold customer forums where they showcase the latest products and support customers to report effectively against their goals and participation in industry-leading external schemes such as the New Plastics Economy and B-Corp certification. • The Group continued to expand and introduce new ranges of own brand products made from alternative materials.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Operational risks			
8. Cyber security failure Revenue and profits are reduced as the Group is unable to operate and serve its customers' needs due to being impacted by a cyber-attack **Risk owner:** CIO **Change to risk level:** → **Included in viability statement:** Yes	• The frequency, sophistication and impact of cyber-attacks on businesses are rising at the same time as Bunzl is increasing its connectivity with third parties and its digital footprint through acquisition and investment in e-commerce platforms and efficiency enhancing IT systems. • Weak cyber defences, both now and in the future, through a failure to keep up with increasing cyber risks and insufficient IT disaster recovery planning and testing, could increase the likelihood and severity of a cyber-attack leading to business disruption, reputational damage and loss of customers and/or a fine under applicable data protection legislation.	• Concurrent with the Group's IT investments, the Group is continuing to improve information security policies and controls to improve its ability to monitor, prevent, detect and respond to cyber threats. • Cyber security awareness campaigns have been deployed across all regions to enhance the knowledge of Bunzl personnel and their resilience to phishing attacks. • IT disaster recovery and incident management plans, which would be implemented in the event of any such failure, are in place and periodically tested. The Group Chief Information Officer and Chief Information Security Officer coordinate activity in this area.	• The Group continued to improve cyber security and data privacy governance, architecture, and controls, along with increasing awareness of both cyber security and data privacy across the Group. • We continue to invest in modern cyber security technologies that address current and emerging threats while improving operational processes and procedures. • The Group focused on improving cyber security controls, acquisition due diligence, and enhancing the security posture of recently acquired companies.
Financial risks			
9. Availability of funding Insufficient liquidity in financial markets leading to insolvency **Risk owner:** CFO **Change to risk level:** → **Included in viability statement:** Yes	• Insufficient liquidity in financial markets could lead to banks and institutions being unwilling to lend to the Group, resulting in the Group being unable to obtain necessary funds when required to repay maturing borrowings, thereby reducing the cash available to meet its trading obligations, make acquisitions and pay dividends.	• The Group arranges a mixture of borrowings from different sources and continually monitors net debt and forecast cash flows to ensure that it will be able to meet its financial obligations as they fall due and that sufficient facilities are in place to meet the Group's requirements in the short, medium and long term.	• The availability of funding to the Group remains strong. This supports our commitment to return to our target leverage range of 2.0-2.5x by 2027. • During 2024, c.£350 million of bank facilities were refinanced with maturities between 2026 to 2029, and the Group launched a euro-commercial paper programme which provides an additional source of short term liquidity. In addition, the Group issued a debut EUR500 million Eurobond in the capital markets, diversifying its long term funding sources. Further finance will be raised in 2025 to refinance c.£470 million of debt maturing during 2025.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Financial risks continued			
10. Climate change Change in temperature and climate conditions that causes business disruption and economic loss for the Group **Risk owner:** CEO and Business Area Heads **Change to risk level:** ➔ **Included in viability statement:** Yes	• Certain markets and regions are increasingly affected by extreme weather (e.g. suppliers and customers in areas impacted by wildfires and flooding) which could impact our commercial strategy. • Failing to align with our customers' sustainability ambitions could lead to reputational damage and loss of sales. • The Group may face increased indirect costs from carbon intensive products where carbon prices increase and no suitable substitute materials exist.	• Bunzl's supply chain flexibility and lack of fixed manufacturing assets provide operational resilience to the physical impacts of climate change. Our established business continuity planning has helped to ensure continued service to customers in case of weather-related disruptions, such as hurricanes in North America and the Australian wildfires. • Setting emissions reduction targets to decarbonise our operations and those of the supply chain helps to ensure our activities meet or exceed customer expectations. • The ability to pass through any increased costs of products in our supply chain (for example, due to carbon pricing mechanisms) to our customers. • Bunzl assesses and monitors the impact of climate change on GDP at the global level, including the impact of carbon pricing on total supply chain carbon dioxide emissions, and the trajectory of the reduction of carbon emissions over time based on data from the Network for Greening the Financial System 'NGFS'.	• In 2024, we undertook a comprehensive review and enhancement of our climate risk assessment, encompassing both our operations and supply chain. After a thorough analysis of climate models from the NGFS, IEA, and IPCC, we have again selected the NGFS model for its versatility in evaluating both transition and physical risks. We have adopted three distinct scenarios (Orderly (net zero by 2050), Disorderly (delayed transition), and Hot House World (current policies)) to represent a range of potential climate trajectories and their respective impacts on Bunzl. Additionally, we have updated our financial impact assessment, which has led us to the conclusion that there has been no material change to our risk level.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

VIABILITY STATEMENT

Assessment of the prospects of the Company and its viability statement

In accordance with provision 31 of the Corporate Governance Code, the directors set out below how they have assessed the prospects of the Company, over what period the prospects have been assessed and the Company's formal viability statement.

The context for and period over which the prospects of the Company have been assessed

To consider the prospects of the Company and determine an appropriate time frame for the purpose of making a statement on the Company's longer term viability, the directors have taken into account various factors including the nature of the Company's business, its business model and strategy and the existing planning periods.

In particular:

- Bunzl has a geographically balanced and diversified business portfolio operating in 32 countries;
- the Company operates across six core, fragmented market sectors, many of which are growing and resilient to challenging economic conditions; and
- the business model and strategy minimise the volatility of the Company's results, enabling Bunzl to deliver consistently good results with high returns on capital and cash conversion.

With regard to the time frame specifically, the directors considered the above factors as well as the Group's strategic planning process. Comprehensive budgets are prepared annually by the business areas and approved by the Board. Strategic plans focusing on two years beyond the forecast for the current year are also prepared annually and reviewed by the Board. While the directors have no reason to believe the Company will not be viable over a longer period, given the inherent uncertainty involved, the period over which the directors consider it possible to form a reasonable expectation as to the Group's longer term viability is the three year period to 31 December 2027.

How the prospects of the Company and its longer term viability have been assessed

In making a viability statement, the directors are required to consider the Company's ability to meet its liabilities as they fall due, taking into account the Company's current position and principal risks. The Company has significant financial resources including committed and uncommitted banking facilities, US private placement notes and senior bonds, further details of which are set out in Note 18 to the consolidated financial statements. As a result, the directors believe that the Company is well placed to manage its business risks successfully.

The resilience of the Group to a range of possible scenarios, in particular the impact on key financial ratios and its ongoing compliance with financial covenants, was factored into the directors' considerations through two severe but plausible downside scenarios against the Group's current base case financial projections. The base case financial projections start with the Group's 2025 Budget and look ahead over the three year assessment period to include an expected level of organic growth and acquisition activity. These two severe but plausible downside scenarios included the following:

- the impact of the crystallisation of the principal risks to the Group's organic growth resulting in a 15% reduction in adjusted operating profit and a drop to 90% in the cash conversion;
- the impact of the crystallisation of the principal risks to the Group's organic growth as above, together with the impact of the crystallisation of the principal risks to the Group's acquisition growth (15% p.a. decline in the post-acquisition PBITA performance of acquisitions made in 2025, 2026 and 2027), without mitigating actions.

In addition, the Group has carried out reverse stress tests against the base case financial projections to determine the conditions that would result in a breach of financial covenants. In order for a breach of covenants to occur during the three year assessment period the Group would need to experience a reduction in EBITDA of over 40% compared to the base case or an increase in net debt of over 200%.

In all scenarios it has been assumed, based on past experience and all current indicators, that the Company will be able to refinance its banking facilities and US private placement notes as and when they mature. In the two severe but plausible downside scenarios it was found that the Group was resilient and in particular it remained in compliance with the relevant financial covenants. The conditions required to create the reverse stress tests were so severe that they were considered to be implausible.

The directors consider that the severe but plausible downside scenarios based assessment of the Company's prospects, building on the results of the robust assessment of the principal risks to the business and the financial implications of them materialising, confirms the resilience of the Group to severe but plausible downside scenarios and provides a reasonable basis on which to conclude on its longer term viability.

Confirmation of longer term viability

In accordance with the provisions of the Corporate Governance Code, the directors have taken account of the Group's current position and principal risks and uncertainties referred to above in assessing the prospects of the Company and they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year period to 31 December 2027.

// FINANCIAL REVIEW

RICHARD HOWES
Chief Financial Officer

COMMITMENT TO RETURN TO TARGET **LEVERAGE RANGE BY 2027**

Revenue
Down 0.2% at actual exchange rates
£11.8bn
(2023: £11.8bn) **+3.1%**†

Adjusted operating profit*
Up 3.4% at actual exchange rates
£976.1m
(2023: £944.2m) **+7.2%**†

Operating profit
Up 1.3% at actual exchange rates
£799.3m
(2023: £789.1m) **+5.0%**†

Adjusted earnings per share*
Up 1.7% at actual exchange rates
194.3p
(2023: 191.1p) **+5.5%**†

Dividend per share
Long track record of dividend growth continues
73.9p
(2023: 68.3p) **+8.2%**

Cash conversion*
Continued strong cash conversion
93%
(2023: 96%)

Adjusted net debt to EBITDA*
1.8x
(2023: 1.2x)

Share buyback
£250m

Committed acquisition spend
£882.5m
(2023: £467.5m)

//
Bunzl has committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027 to return leverage to a target range of 2.0–2.5x. In 2024 Bunzl has committed £883 million to acquisitions and completed the initial £250 million share buyback announced in August."

// FINANCIAL REVIEW *continued*

	2024 £m	2023 £m	Growth as reported	Growth at constant exchange†
Financial results				
Revenue	**11,776.4**	11,797.1	(0.2)%	3.1%
Adjusted operating profit*	**976.1**	944.2	3.4%	7.2%
Adjusted profit before income tax*	**872.9**	853.7	2.2%	6.2%
Adjusted earnings per share*	**194.3p**	191.1p	1.7%	5.5%
Dividend for the year	**73.9p**	68.3p	8.2%	
Statutory results				
Operating profit	**799.3**	789.1	1.3%	5.0%
Profit before income tax	**673.6**	698.6	(3.6)%	0.1%
Basic earnings per share	**149.6p**	157.1p	(4.8)%	(0.9)%
Balance sheet and Cash flow				
Return on average operating capital %*	**43.2%**	46.1%		
Return on invested capital %*	**14.8%**	15.5%		
Cash conversion %*	**93%**	96%		

† At constant exchange rates.
* Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

As in previous years this review refers to a number of alternative performance measures which management uses to assess the performance of the Group. Details of the Group's alternative performance measures are set out in Note 3 to the consolidated financial statements on page 151.

Currency translation

Currency translation has had an adverse impact on the Group's reported profits, decreasing the reported profit growth rates by between 3% and 4%. This adverse exchange impact to profit is primarily due to the strengthening of sterling against the US dollar, euro, Canadian dollar, Brazilian real and Australian dollar.

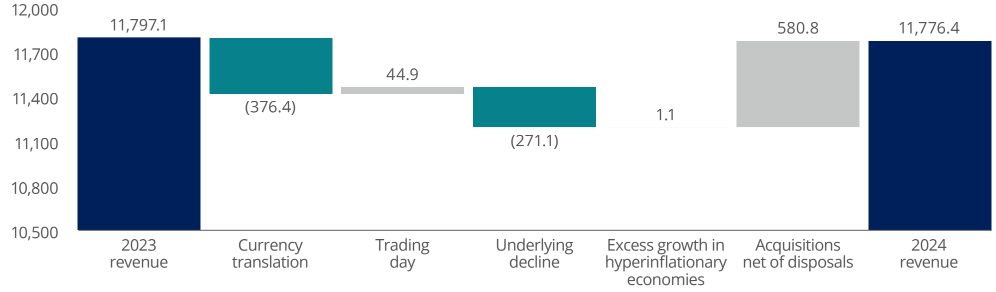
Average exchange rates	2024	2023
US$	**1.28**	1.24
Euro	**1.18**	1.15
Canadian$	**1.75**	1.68
Brazilian real	**6.89**	6.21
Australian$	**1.94**	1.87

Closing exchange rates	2024	2023
US$	**1.25**	1.27
Euro	**1.21**	1.15
Canadian$	**1.80**	1.68
Brazilian real	**7.74**	6.19
Australian$	**2.02**	1.87

Revenue

Revenue decreased to £11,776.4 million (2023: £11,797.1 million), a decrease of 0.2% at actual exchange rates. At constant exchange rates revenue increased 3.1% driven by acquisitions net of disposals adding 5.1%, and the additional trading day in 2024 compared to 2023 adding 0.4%, partly offset by an underlying decline of 2.4%. The decline in underlying revenue was mainly driven by deflation across North America, Continental Europe and UK & Ireland; strategic changes in our US foodservice redistribution business to increase our own brand penetration, which alongside price competition, resulting from the deflationary environment, led to volume softness; and the expected impact from transitioning ownership of customer specific inventory to our customers in our US retail business in the first half of the year. Underlying revenue in the second half was flat, driven by Group volumes returning to slight growth and a small easing of deflation driven by Continental Europe and UK & Ireland, although deflation persisted in North America longer than expected. Net deflation is expected to remain a headwind to Group revenue heading into 2025.

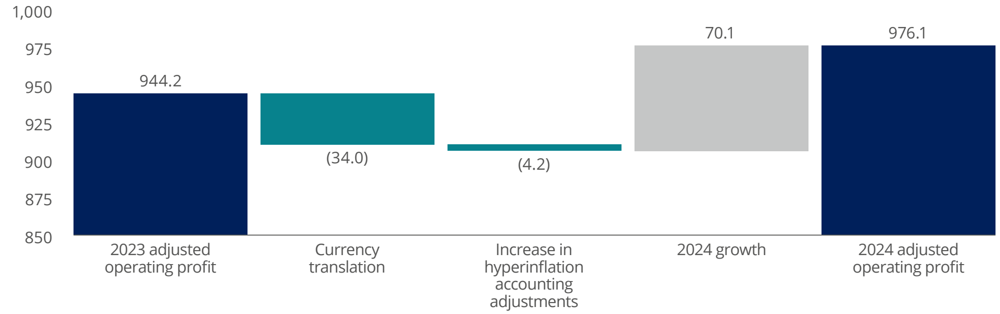
Movement in revenue (£m)



Operating profit

Adjusted operating profit was £976.1 million (2023: £944.2 million), an increase of 7.2% at constant exchange rates and 3.4% at actual exchange rates. At both constant and actual exchange rates operating margin increased to 8.3% from 8.0% in 2023. The operating margin of 8.3% was supported by both higher margin acquisitions and an underlying margin improvement.

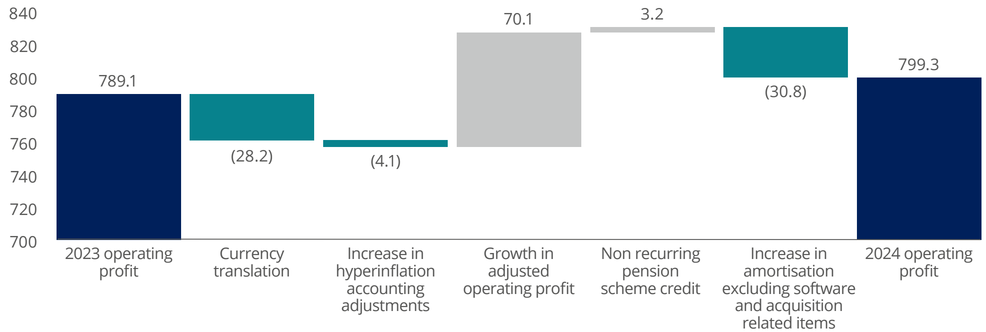
Movement in adjusted operating profit (£m)



// FINANCIAL REVIEW *continued*

Operating profit was £799.3 million (2023: £789.1 million), an increase of 5.0% at constant exchange rates and 1.3% at actual exchange rates.

Movement in operating profit (£m)



Amortisation excluding software, which includes amortisation on customer and supplier relationships, brands and technology, acquisition related items and the non-recurring pension scheme credit are excluded from the calculation of adjusted operating profit as they do not relate to the trading performance of the business. Accordingly, these items are not taken into account by management when assessing the results of the business and are removed in calculating adjusted operating profit and other alternative performance measures by which management assess the performance of the Group.

Net finance expense

The adjusted net finance expense for the year was £103.2 million, an increase of £15.1 million at constant exchange rates (up £12.7 million at actual exchange rates), mainly due to increases in lease interest expense, higher interest rates and a higher average debt during the year. Net finance expense for the year was £105.4 million including £2.2 million of interest on unwinding of discounting deferred consideration on acquisitions.

Disposal of businesses

The loss on disposal of businesses of £20.3 million relates to the disposal of the Group's business in Argentina and a healthcare business in Germany, which completed on 14 March 2024 and 12 July 2024 respectively. The loss on disposal reflects the cash consideration received of £4.4 million offset by the net book value of assets disposed of £6.0 million and recycling of historical foreign exchange losses of £18.7 million held in the translation reserve within equity, which have been impacted by the devaluation of the Argentinian peso due to hyperinflation. There was no material impact from the disposal of these businesses on the Group's trading performance.

Profit before income tax

Adjusted profit before income tax was £872.9 million (2023: £853.7 million), up 6.2% at constant exchange rates (up 2.2% at actual exchange rates), due to the growth in adjusted operating profit partly offset by the increase in adjusted net finance expense. Profit before income tax was £673.6 million (2023: £698.6 million), an increase of 0.1% at constant exchange rates (down 3.6% at actual exchange rates) with growth in operating profit offset by the loss on disposal of businesses and increase in net finance expense.

Taxation

The Group's tax strategy is to comply with tax laws in all countries in which it operates and to balance its responsibilities for controlling the tax costs with its responsibilities to pay the appropriate level of tax where it does business. No companies are established in tax havens or other countries for tax purposes where the Group does not have an operational presence and the Group's de-centralised operational structure means that the level of intragroup trading transactions is very low. The Group does not use intragroup transfer prices to shift profit into low tax jurisdictions. The Group's tax strategy has been approved by the Board and tax risks are reviewed by the Audit Committee. In accordance with UK legislation, the strategy is published on the Bunzl plc website within the Corporate governance section.

The effective tax rate (being the tax rate on adjusted profit before income tax) for the year was 25.5% (2023: 25.0%) and the reported tax rate on statutory profit was 25.6% (2023: 24.7%). The effective tax rate for 2024 is higher than for 2023 primarily due to the increase in the UK statutory tax rate from 23.5% for calendar year 2023 to 25.0% for year 2024 and profit mix moving to higher tax rate countries. The Group's effective tax rate is expected to increase to be around 26% in 2025 as certain one-off benefits in 2024 are not repeated. Although the Group is subject to the global minimum tax regime known as Pillar 2 from 2024, this is not expected to cause any significant increase in the Group's tax liabilities.

Earnings per share

Adjusted profit after tax attributable to the Company's equity holders was £649.9 million (2023: £640.3 million), up 5.4% and an increase of £33.3 million at constant exchange rates (up 1.5% at actual exchange rates), due to a £50.8 million increase in adjusted profit before income tax, partly offset by a £16.9 million increase in the tax on adjusted profit before income tax at constant exchange rates, and excluding £0.6 million profit attributable to non-controlling interests. Adjusted profit after tax for the year bears a £9.8 million adverse impact from hyperinflation accounting adjustments (2023: £11.0 million adverse impact).

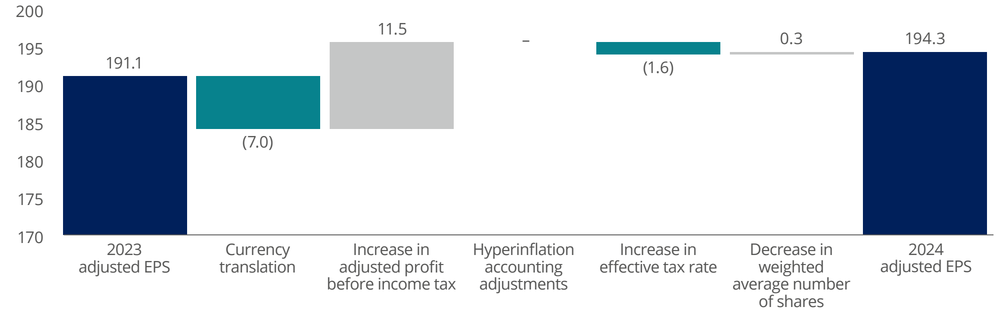
Profit after tax attributable to the Company's equity holders decreased to £500.4 million (2023: £526.2 million), down 1.1% and an decrease of £5.6 million at constant exchange rates (down 4.9% at actual exchange rates), due to a £5.8 million increase in the tax charge at constant exchange rates, partly offset by a £0.8 million increase in profit before income tax, and excluding £0.6 million profit attributable to non-controlling interests. Profit after tax for the year bears an £10.9 million adverse impact from hyperinflation accounting adjustments (2023: £11.0 million adverse impact).

The weighted average number of shares in issue decreased to 334.4 million from 335.0 million in 2023 due to shares cancelled under the share buyback programme and share purchases into the employee benefit trust partly offset by employee share option exercises.

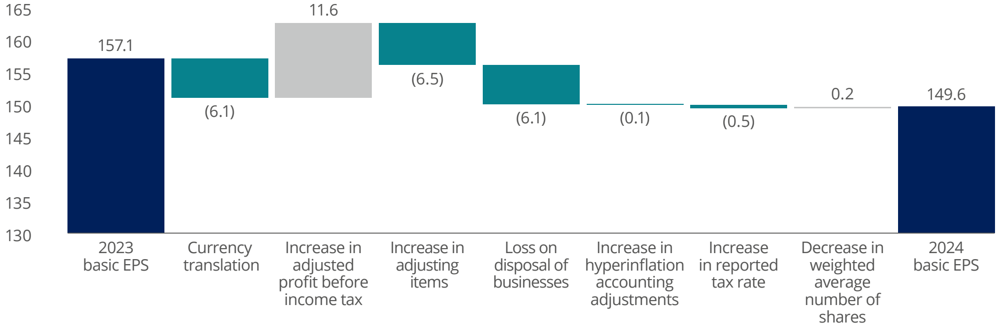
Adjusted earnings per share attributable to the Company's equity holders were 194.3p (2023: 191.1p), an increase of 5.5% at constant exchange rates (up 1.7% at actual exchange rates). Basic earnings per share attributable to the Company's equity holders were 149.6p (2023: 157.1p), down 0.9% at constant exchange rates (down 4.8% at actual exchange rates).

// FINANCIAL REVIEW *continued*

Movement in adjusted eps (p)



Movement in basic eps (p)



Dividends

An analysis of dividends per share for the years to which they relate is shown below:

	2024	2023	Growth
Interim dividend (p)	**20.1**	18.2	10.4%
Final dividend (p)	**53.8**	50.1	7.4%
Total dividend (p)	**73.9**	68.3	8.2%
Dividend cover (times)	**2.6**	2.8	

The Company's practice is to pay a progressive dividend, delivering year-on-year increases. The Board is proposing a 2024 final dividend of 53.8p, an increase of 7.4% on the amount paid in relation to the 2023 final dividend. The 2024 total dividend of 73.9p is 8.2% higher than the 2023 total dividend.

Before approving any dividends, the Board considers the level of borrowings of the Group by reference to the ratio of net debt to EBITDA, the ability of the Group to continue to generate cash and the amount required to invest in the business, in particular into future acquisitions. The Group's long term track record of strong cash generation, coupled with the Group's substantial borrowing facilities, provides the Company with the financial flexibility to fund a growing dividend. After the further growth in 2024, Bunzl has sustained 32 years of consecutive annual dividend growth to shareholders.

The risks and constraints to maintaining a growing dividend are principally those linked to the Group's trading performance and liquidity, as described in the Principal risks and uncertainties on pages 66 to 74. The Group has substantial distributable reserves within Bunzl plc and there is a robust process of distributing profits generated by subsidiary undertakings up through the Group to Bunzl plc. At 31 December 2024 Bunzl plc had sufficient distributable reserves to cover more than six years of dividends at the levels of those delivered in 2024, which is expected to be approximately £250 million.

// FINANCIAL REVIEW *continued*

Acquisitions

The Group completed 15 acquisitions during the year ended 31 December 2024, of which 13 were announced, with a total committed spend of £882.5 million. The estimated annualised revenue and adjusted operating profit of the acquisitions completed during the year were £744 million and £72 million, respectively.

A summary of the effect of acquisitions is as follows:

	£m
Fair value of net assets acquired	451.3
Less: non-controlling interests	(2.7)
Goodwill	357.8
Consideration	806.4
Satisfied by:	
cash consideration	675.2
deferred consideration	131.2
	806.4
Contingent payments relating to retention of former owners	92.8
Interest relating to discounting of deferred consideration	17.3
Net cash acquired	(59.9)
Transaction costs and expenses	25.9
Total committed spend in respect of acquisitions completed in the current year	**882.5**

The net cash outflow in the year in respect of acquisitions comprised:

	£m
Cash consideration	675.2
Net cash acquired	(59.9)
Deferred consideration payments	20.9
Net cash outflow on purchase of businesses	636.2
Cash outflow from acquisition related items*	42.0
Total cash outflow in respect of acquisitions	**678.2**

* Acquisition related items comprise £25.6 million of transaction costs and expenses paid and £16.4 million of payments relating to the retention of former owners.

Cash flow

A summary of the cash flow for the year is shown below:

	2024 £m	2023 £m
Cash generated from operations†	1,133.4	1,129.5
Payment of lease liabilities	(216.7)	(188.0)
Net capital expenditure	(37.2)	(56.2)
Operating cash flow†	879.5	885.3
Net interest paid excluding interest on lease liabilities	(65.2)	(53.2)
Income tax paid	(180.5)	(188.6)
Free cash flow	633.8	643.5
Dividends paid	(228.6)	(209.7)
Net payments relating to employee share schemes	(14.3)	(23.7)
Net cash inflow before acquisitions, disposals and purchase of own shares	390.9	410.1
Purchase of own shares	(247.9)	–
Acquisitions◊	(678.2)	(374.6)
Disposals	2.9	–
Net cash (outflow)/inflow on net debt excluding lease liabilities	(532.3)	35.5

† Before acquisition related items.
◊ Including acquisition related items.

The Group's free cash flow of £633.8 million was £9.7 million lower than in 2023, due to a decrease in operating cash flow of £5.8 million and an increase in net interest paid excluding interest on lease liabilities of £12.0 million, partly offset by a £8.1 million lower cash outflow relating to tax. The Group's free cash flow was used to finance dividend payments of £228.6 million in respect of 2023 (2023: £209.7 million in respect of 2022), purchase of own shares of £247.9m (2023: £nil) and net payments of £14.3 million (2023: net payments of £23.7 million) relating to employee share schemes, and partially finance an acquisition cash outflow of £678.2 million (2023: £374.6 million). Purchase of own shares of £247.9 million comprises the £250 million share buy back as announced in August 2024, stamp duty of £1.0 million and transaction costs of £0.2 million less outstanding payments as at 31 December 2024 of £3.3 million. Cash conversion (being the ratio of operating cash flow as a percentage of lease adjusted operating profit) was 93% (2023: 96%).

	2024 £m	2023 £m
Operating cash flow	879.5	885.3
Adjusted operating profit	976.1	944.2
Add back depreciation of right-of-use assets	186.1	166.1
Deduct payment of lease liabilities	(216.7)	(188.0)
Lease adjusted operating profit	945.5	922.3
Cash conversion	93%	96%

// FINANCIAL REVIEW *continued*

Net debt

	2024 £m	2023 £m
Net debt excluding lease liabilities	**(1,611.4)**	(1,085.5)
Total deferred and contingent consideration – on and off balance sheet	**(375.4)**	(258.8)
Adjusted net debt	**(1,986.8)**	(1,344.3)
Lease liabilities	**(754.1)**	(664.5)
Adjusted net debt including lease liabilities	**(2,740.9)**	(2,008.8)
Adjusted net debt to EBITDA	**1.8x**	1.2x
Adjusted net debt including lease liabilities to EBITDA	**2.1x**	1.6x

Net debt excluding lease liabilities increased by £525.9 million during the year to £1,611.4 million (2023: £1,085.5 million), due to a net cash outflow of £532.3 million and external debt recognised on acquisition of £6.3 million, partly offset by a £10.4 million decrease due to currency translation and a non-cash decrease in debt of £2.3 million.

Adjusted net debt increased by £642.5 million during the year to £1,986.8 million (2023: £1,344.3 million) due to the £525.9 million increase in net debt excluding lease liabilities and a £116.6 million increase in total deferred and contingent consideration.

Balance sheet

Summary balance sheet at 31 December:

	2024 £m	2023 £m
Intangible assets	**3,683.8**	3,242.1
Right-of-use assets	**697.6**	616.3
Property, plant and equipment	**213.3**	159.4
Working capital	**1,210.2**	1,158.1
Net assets held for sale	**10.0**	–
Deferred consideration	**(258.2)**	(175.6)
Other net liabilities	**(420.3)**	(333.4)
Net pension surplus	**19.8**	49.4
Net debt excluding lease liabilities	**(1,611.4)**	(1,085.5)
Lease liabilities	**(754.1)**	(664.5)
Equity	**2,790.7**	2,966.3
Return on average operating capital	**43.2%**	46.1%
Return on invested capital	**14.8%**	15.5%

Return on average operating capital decreased to 43.2% from 46.1% in 2023 due to higher average capital employed in the underlying businesses. Return on invested capital decreased to 14.8% compared to 15.5% in 2023 due to the impact of higher average invested capital from acquisitions.

Intangible assets increased by £441.7 million to £3,683.8 million due to intangible assets arising on acquisitions in the year of £729.9 million, a net increase from hyperinflation adjustments of £7.7 million and software additions of £14.1 million, partly offset by an amortisation charge of £160.2 million, an impairment charge of £2.3 million, net decrease from disposal of businesses of £7.5 million, assets transferred to held for sale of £1.7 million and a decrease from currency translation of £138.3 million.

Right-of-use assets increased by £81.3 million to £697.6 million due to additional right-of-use assets from new leases during the year of £161.3 million, an increase from remeasurement adjustments of £49.8 million and an increase from acquisitions of £73.0 million, partly offset by a depreciation charge of £186.1 million, assets transferred to held for sale of £1.5 million, disposal of businesses of £0.4 million and a decrease from currency translation of £14.8 million.

Working capital increased from the prior year end by £52.1 million to £1,210.2 million driven by an increase of £80.5 million from acquisitions and an underlying increase of £97.1 million as shown in the cash flow statement, partly offset by £53.3 million accrued for commitments under the share buyback programme, a decrease of £8.3 million from net assets transferred to held for sale and a decrease from currency translation of £64.3 million.

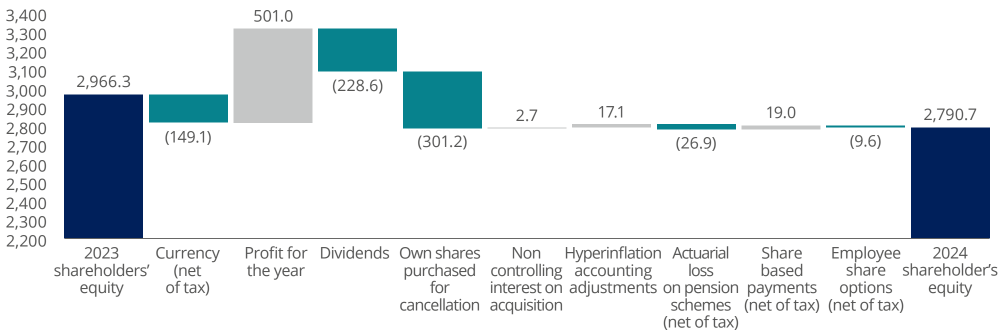
Net assets held for sale comprises assets and liabilities related to a safety business in North America which was sold in January 2025.

Deferred consideration increased by £82.6 million to £258.2 million due to £131.2 million of deferred consideration recognised on current year acquisitions and interest on unwinding of discounting of £2.2 million, partly offset by deferred consideration and retention payments of £33.3 million, a credit from adjustments to previously estimated earn outs net of charges relating to the retention of former owners of £1.3 million and a decrease from currency translation of £16.2 million. Including expected future payments which are contingent on the continued retention of former owners of businesses acquired of £117.2 million, total deferred and contingent consideration at 31 December 2024 was £375.4 million (2023: £258.8 million).

The Group's net pension surplus of £19.8 million at 31 December 2024 has decreased by £29.6 million from the net pension surplus of £49.4 million at 31 December 2023, largely due to actuarial losses of £35.1 million driven by the bulk annuity buy-in of the UK scheme completed in December 2024.

Shareholders' equity decreased by £175.6 million during the year to £2,790.7 million. Own shares purchased for cancellation includes the £250 million share buyback announced in August 2024, which was completed before 31 December 2024, the £50 million first tranche of the 2025 share buyback programme which was committed to pre-year end, £1.0 million of stamp duty and £0.2 million of transaction costs.

Movement in shareholders' equity (£m)



// FINANCIAL REVIEW *continued*

Capital management

The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Group funds its operations through a mixture of shareholders' equity and bank and capital market borrowings. The Group's funding strategy is to maintain an investment grade credit rating. The Company's current credit ratings with Standard & Poor's are BBB+ (long term) and A-2 (short term). All borrowings are managed by a central treasury function and funds raised are lent onward to operating subsidiaries as required. The overall objective is to manage the funding to ensure the borrowings have a range of maturities, are competitively priced and meet the demands of the business over time. There were no changes to the Group's approach to capital management during the year and the Group is not subject to any externally imposed capital requirements.

Treasury policies and controls

The Group has a centralised treasury department to control external borrowings and manage liquidity, interest rate, foreign currency and credit risks. Treasury policies have been approved by the Board and cover the nature of the exposure to be hedged, the types of financial instruments that may be employed and the criteria for investing and borrowing cash. The Group uses derivatives to manage its foreign currency and interest rate risks arising from underlying business activities. No transactions of a speculative nature are undertaken. The treasury department is subject to periodic independent review by the internal audit department. Underlying policy assumptions and activities are periodically reviewed by the Board. Controls over exposure changes and transaction authenticity are in place.

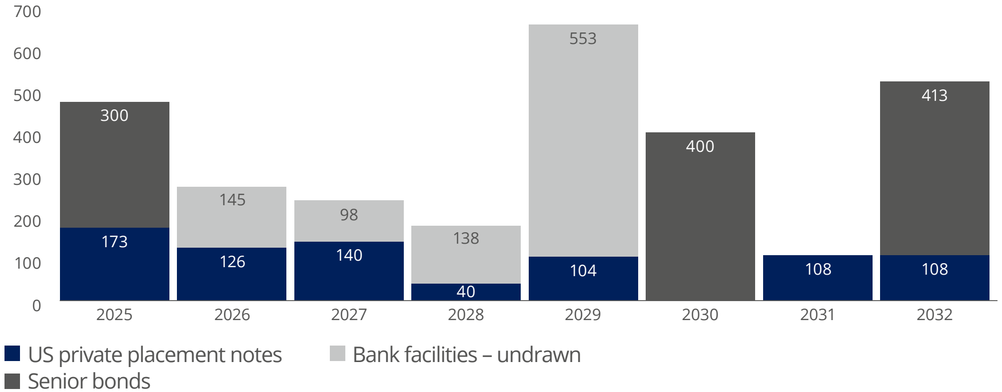
The Group continually monitors net debt and forecast cash flows to ensure that sufficient facilities are in place to meet the Group's requirements in the short, medium and long term and, in order to do so, arranges borrowings from a variety of sources. Additionally, compliance with the Group's biannual debt covenants is monitored on a monthly basis and formally tested at 30 June and 31 December. The principal financial covenant limits are net debt, calculated at average exchange rates, to EBITDA of no more than 3.5 times and interest cover of no less than 3.0 times, based on historical accounting standards. Sensitivity analyses using various scenarios are applied to forecasts to assess their impact on covenants and net debt. During the year ended 31 December 2024 all covenants were complied with, with Covenant net debt to EBITDA of 1.5 times as at 31 December 2024 (31 December 2023: 1.1 times), and based on current forecasts it is expected that such covenants will continue to be complied with for the foreseeable future. The US private placement notes ('USPPs') issued in March 2022 contain a clause whereby upon maturity of the previously issued USPPs, the latest maturity being in 2028, the principal financial covenants referred to above will no longer apply.

The Group has substantial funding available comprising multi-currency credit facilities from the Group's banks, USPPs and senior bonds. During 2024, the Group issued a €500 million bond which matures in 2032 under the terms of its Euro Medium Term Note (EMTN) programme. The bond issued extends the maturity profile of the Group's debt portfolio. At 31 December 2024 the nominal value of senior bonds outstanding was £1,113.2 million (2023: £700.0 million) with maturities ranging from 2025 to 2032. At 31 December 2024 the nominal value of USPPs outstanding was £798.6 million (2023: £917.5 million) with maturities ranging from 2025 to 2032. At 31 December 2024 the available committed bank facilities totalled £933.5 million (2023: £852.6 million) of which none (2023: none) was drawn down. During 2024, £264.8 million of existing bank facilities with maturities between 2024 and 2026 were refinanced by £350.6 million of new or amended bank facilities with maturities between 2026 to 2029.

In July 2024, the Group established a €1 billion euro-commercial paper programme, under which it can issue short term notes. At 31 December 2024, the nominal value of commercial paper in issue was £144.6 million (2023: none) with maturities of up to three months.

The Group expects to make repayments in the 18 month period from the date of these financial statements to 30 June 2026 of approximately £242.6 million relating to maturing USPPs. In addition, the current intention is that the £300 million Senior Bond maturing in 2025 will be refinanced in the capital markets before maturity.

Committed facilities maturity profile by year (£m)



The total available committed funding at 31 December 2024 was £2,845.4 million (2023: £2,470.0 million). This includes the Group's USPPs, senior bonds and all committed bank facilities.

Further details of the Group's capital management and treasury policies and controls are set out in Note 18 to the consolidated financial statements on pages 166 to 172.

Going concern

The directors, having reassessed the principal risks and uncertainties, consider it appropriate to adopt the going concern basis of accounting in the preparation of the financial statements. In reaching this conclusion, the directors noted the Group's strong cash performance in the year, the substantial funding available to the Group as described above and the resilience of the Group to a range of severe but plausible downside scenarios. Further details are set out in Note 1 to the consolidated financial statements on page 145.

Richard Howes
Chief Financial Officer

3 March 2025

// NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

NFSIS

In accordance with sections 414CA and 414CB of the Companies Act 2006, including the amendments made by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, the information below sets out how we comply with each reporting requirement and where further information can be found.

A description of our business model can be found on pages 22 to 23.

Where principal risks have been identified in relation to any of the matters listed, these can be found on pages 66 to 74.

Our non-financial key performance indicators are set out on page 37.

Find out more in our policy hub on our website, www.bunzl.com

Reporting requirement	Description	Relevant policies and standards	Further information
Social matters	Developing responsible supply chains	Our Supplier Code of Conduct, Global Supply Chain Solutions team and partnership with supply chain assurance expert, LRQA, are some of the measures we take to ensure that products are sourced responsibly and that adequate standards are maintained throughout our supply chains.	Read more on pages 42 to 45
	Promoting a healthy corporate culture	Our values underly the way we conduct our business and ensure that all of our colleagues are working towards the common goal of creating long term sustainable value for the benefit of all stakeholders.	Read more on page 94
	Business standards of behaviour	Our Business Code of Conduct and Code of Conduct Policy ensure that all business is conducted according to rigorous ethical, professional and legal standards.	Read more on page 210
Employees	Encouraging employees to raise matters of concern	Where employees have concerns relating to failures to adhere to standards, they can report such concerns on a confidential and anonymous basis using our 'Speak Up' Policy.	Read more on page 210
	Investing in our people and a diverse workforce	Our Equality and Diversity Policy was reviewed in 2024 and ensures that employees are treated fairly and equally and that diversity is embraced. We also offer extensive learning and development opportunities to equip employees with the skills and experience they need to succeed and grow in their roles.	Read more on pages 52 to 54
	Providing our employees with a safe working environment	The Bunzl Health & Safety Policy ensures that high standards of health & safety are maintained throughout the business. Incidents are monitored and reported to the Board periodically, which enables the Board to take action when necessary.	Read more on page 209
Human rights, anti-corruption and anti-bribery	Prevention of bribery, corruption and fraud	Our Anti-Bribery and Corruption Policy outlines the behaviour and principles required of employees to prevent any form of bribery or corruption. Additionally, we have a Fraud Policy in place, we conduct a rigorous Fraud Risk Assessment annually and the Board regularly receives and considers whistleblowing updates.	Read more on page 103
	Promoting ethical supply chains	Our Supplier Code of Conduct defines the principles and standards that we expect suppliers to understand and adhere to. This is supported by our industry-leading sourcing and auditing operation in Shanghai, which works in partnership with suppliers in high risk regions to ensure the highest standards of product quality and respect for human rights in our supply chain.	Read more on pages 42 to 45
	Approach to human rights and modern slavery	Approved by the Board this year, our Modern Slavery Statement sets out the steps that we take to ensure, as far as possible, that slavery and human trafficking do not exist in our supply chain or any part of our business.	Read more on page 203
Environmental matters	Taking action on climate change	We are supporting the recommendations made by the Task Force on Climate-related Financial Disclosures and have joined the UN Race to Zero campaign by formally committing to the Business Ambition for 1.5°C.	Read more on page 202
	Reducing our impact on the environment	Our Environment Policy promotes the efficient use of resources and energy in our supply chain and ensures a Group wide commitment to continual improvement and compliance with environmental legislation and regulations.	Read more on page 61
	Providing sustainable solutions	Our material footprint tools help customers understand the carbon impact of the products they source, helping us to work with them to find sustainable solutions that are better suited to a more circular economy.	Read more on pages 55 to 59
	Environmental risks and opportunities	Our sustainability governance structure enables the Company to identify, assess and manage climate-related risks and opportunities, analyse the resilience of our business model and strategy, set targets to manage climate-related risks and to disclose against the TCFD recommendations and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.	Read more on page 60